Daily Report

Latin America

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El Salvador

It has been "officially announced" that the government and the Farabundo Marti National Liberation Front reached an agreement to "comply with putting a formal end to the subversive war" on 15 December, reports EL DIARIO DE HOY on 9 November.

According to the timetable established for the implementation of the agreements, the Cristiani government must begin removing the military officers effective 15 December, after the "guerrillas have demobilized all their forces," reports San Salvador Radio. It was noted that Defense Minister General Rene Emilio Ponce and several of his assistants "will leave their posts in April 1993," four months after the process begins.

Bolivia

Madrid EFE reports that Interior Minister Carlos Saavedra responded to the "charge" made by the U.S. Embassy that Colombian drug traffickers are "freely operating" in Bolivia by bribing policemen. Saavedra "admitted" that drug traffickers are active in Bolivia but noted that his ministry has the situation "under control." Saavedra attributed the accusation to the Embassy trying to "favorably impress" the incoming Clinton government.

Colombia

In order to reinforce the security plans made by the government, 15,000 new soldiers will join the Armed Forces on 10 November. Santa Fe de Bogota radio reports that the soldiers will serve for 18 months and will receive "special counterinsurgency training."

According to Santa Fe de Bogota TV, the government has "finally decided to attack" all organizations that support guerrilla groups. The government will intervene in the funding and management of agricultural cooperatives that purchase and distribute food for the guerrillas. Security services "have detected that a well established organization" supports guerrilla groups with money, food, and transportation. A special decree establishes new mechanisms "to freeze suspicious bank accounts" in the country.

Cuba

Brief Improvement in U.S. Economy Predicted

FL0611211292 Havana Radio Rebelde Network in Spanish 1255 GMT 6 Nov 92

["Our Opinion" commentary by Orlando Contreras]

[Text] According to an analysis by Solomon Brothers, a specialized company in New York, the U.S. economy will improve briefly and slightly. This assessment was made after the victory of Democratic candidate William Clinton over Republican candidate George Bush. AFP reported the same information this morning, but that report has not yet been distributed; I therefore do not know its wording.

Nevertheless, I believe this evaluation is correct. The U.S. economy, considering the specific weight of that country, could not be worse off, after four years of a government that completely ignored minimal social demands, while raising the budget deficit to more than $300 billion by spending more than that society produces.

The last measure Bush put into effect was to sharply lower interest rates; that is, the interest rates on loans. With a very blurry vision of the economy, and without taking into account the enormous general indebtedness, the Bush administration thought that if interest rates were lowered, businesses would take out cheaper loans to make new productive investments. However, the events that took place, which were easily predictable, showed that an indebted society took advantage of the lower interest rates to get fresh money to pay off debts. Middle-class citizens in the United States also took advantage of the situation to partially pay off their debts.

Meanwhile, labor productivity remained at a noncompetitive level in the international sphere, at least in many sectors of commercial importance. The mere fact that Clinton has approached the problem of taxes more realistically and has convinced the nation that it is necessary to pay more taxes, without excluding the richest—as Bush did—is a stimulating boost for the battered U.S. economy. Clinton has in his hands the opportunity to reorganize U.S. foreign policy with greater realism and without Bush's fundamentalist obsessions. This, on a world scale, could have positive repercussions for the U.S. economy.

American society has been consuming more than it produces, and this has its price. Facing the evidence realistically; benefiting world trade without obsessive dogmas or cold-war paranoias; and to accept that in today's world, at the end of the century, one cannot continue living as if the rest of mankind, especially the vast majority of Third World countries, did not exist—would be a mature approach to reality which would also benefit the U.S. economy.

Meanwhile, through certain aspects of Clinton's social and economic program, which will have to be seen in practice, it is predictable that the U.S. economy will certainly experience a slight improvement, as has been predicted by Solomon Brothers.

Vice Foreign Minister Meets With Officials in Chile

FL1011125692 Havana Radio Progreso Network in Spanish 1200 GMT 10 Nov 92

[Text] On 9 November, Cuban Vice Foreign Minister Ramon Sanchez-Parodi was met by Chilean Secretary General of Government Enrique Correa Rios in Santiago de Chile. They talked about bilateral relations and the future development of official ties.

Sanchez-Parodi also met with Ivan Lavados, president of the Foundation of Chile, and Jaime Lavados, executive director of the group Pro Chile. He explained to them the current conditions of the Cuban economy.

Mexican Ambassador on Increased Relations

PA0811214892 Havana Radio Havana Cuba in Spanish 0000 GMT 7 Nov 92

[Text] During a tour through the 1992 Havana International Fair, Mario Moya Palencia, Mexico's ambassador to Havana, reiterated his country's will to maintain and to strengthen its relations with Cuba. This will is not negotiable because we do not accept any kind of meddling in our sovereignty, Moya Palencia stated referring to the Torricelli Bill, which is aimed at strengthening the U.S. blockade against Cuba.

Moya Palencia said nothing can alter the policy of friendship and understanding Mexico has maintained with Cuba since 20 May 1902.

The Mexican diplomat praised the Havana fair as a trade center. He said it should be maintained because it shows the world what Cuba can now offer.

Measures Announced To Reduce Economic Crimes

FL0611222892 Havana Radio Rebelde Network in Spanish 1800 GMT 6 Nov 92

[Text] The achievements of a recent exercise of the Unified Vigilance and Protection System in Havana Province have been the subject of analysis. Correspondent Margarita Torres has more information.

[Torres] During the exercise it was determined that the theft and slaughter of cattle, as well as bicycle theft, are the crimes that stand out most in the province. As a result of the material and social impact of these crimes, the Communist Party of Cuba [PCC] and the government of Havana Province have taken measures to counteract this criminal behavior. Politburo member Comrade Candido Palmero, first PCC secretary in the province, spoke on this matter.

[Begin Palmero recording] We will first organize all the work centers and arm them. Everyone must work on this. From the administrator, the party cell, the labor union, the youth, to all the workers, it is totally their responsibility. That is why I say there must be both moral and material responsibility. Material responsibility for the administrators and officials who are being paid to take care of those goods, among other things. Moral responsibility because we will have to ask party members, the communists at a work center, to be responsible and to attend to this, and to fulfill the agreements established at the Fourth PCC Congress.

That is one of the formulas. We have many formulas. We also have the technical means of the Interior Ministry, the comrades in intelligence, and undercover work, so that everyone who lives or who wants live off others' effort will know that criminal acts like these will not go unpunished. [end recording]

[Torres] Apart from the legal efforts that are being made, the massive participation of the people in the fight against crime is what will win this battle.

Seventy People To Be Tried For Economic Crimes

FL0611211392 Havana Radio Rebelde Network in Spanish 1800 GMT 6 Nov 92

[Text] A trial of 70 defendants in Case No. 644 of 1992 of the Holguin Provincial Court will begin on 9 November in Holguin. Following are details from a report by Astor Hernandez Sanchez from the Holguin Province Office of the Public Prosecutor.

The public prosecutor is charging the defendants—48 of whom are being held without bail—with embezzlement, illicit economic activities, misappropriation, receiving, and longstanding aiding and abetting of criminal activity.

The crimes occurred at the loading and unloading operation centers of the Eastern Division of Cuban Railways, located in Holguin Municipality. In his provisional verdicts, the public prosecutor lists the criminal acts, which consist of stealing various types of merchandise from containers, including manufactured goods and food products, with an estimated value of 538,343 pesos.

In the name of the working people of Cuba, the public prosecutor is seeking for the 70 alleged perpetrators of these crimes sentences ranging from 1 to 18 years in prison, as well as fines in accordance with the enforcement of the penal code.

Delegates Approve New ATAC Executive Committee

FL0711171992 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 7 Nov 92

[Excerpts] After three days of a positive exchange of experience on our main economic commodity, the 46th congress of Cuban Association of Sugar Technicians [ATAC] concluded in Santiago de Cuba. In its last day of meetings, the ATAC congress exhibited posters of 171 scientific achievements that represent the greatest contributions of national interest. It would be appropriate to highlight that 35 percent of these developments come from agricultural-industrial complexes and other enterprises of the Sugar Industry Ministry [Minaz].

In short, this is the result of a process that involved thousands of technicians from the base level who were determined to contribute their best experiences from the last harvest and their basic goals to the successful development of the coming harvest.

In the final meeting, the delegates approved amendments to the statutes of the ATAC and the thesis of the base organizations' role. [passage omitted]

During the meeting, from the developments presented to the congress in the areas of agriculture, industry, support, and sugar cane by-products, the eight technical developments of most significance were awarded. The new executive committee of the ATAC was also presented. The association will be presided by Dr. Oscar Almazan del Olmo. The closing speech was given by Segundo Reyes Castellanos, first vice minister of the Minaz.

ATAC Congress To Conclude on 6 Nov

FL0611174192 Havana Radio Progreso Network in Spanish 1200 GMT 6 Nov 92

[Report by Santiago de Cuba correspondent William de Armas]

[Text] The congress of Cuba's sugar technicians that has been going on since 4 November in Santiago de Cuba will conclude this afternoon with a ceremony at the Heredia Theater. Yesterday was a day of much activity, discussion, and analysis; and the close to 500 representatives to the congress and guests exchanged ideas about cane production for 1993-94, by-products of the sugar industry, the generation of energy, the environment, and biotechnology. In all cases, the talks have been characterized by knowledgeability and a revolutionary proletarian sentiment on the part of the sugar technicians and engineers. No one has come here to pour out academic knowledge; rather, they have come to report on how this or that problem in the fields, the machinery, or the refinery is currently being solved. That is why the congress is unfolding in a collegial atmosphere, an atmosphere of solidarity—where, for example, the problem of the lack of a qualified work force in Ciego de Avila Province worries the sugar grower from Pinar del Rio Province as much as it does the one from Guantanamo Province. Thus, one can speak of a coherent development program because behind it is the work of many men.

Matters related to cane production were discussed in workshops. The workshops also went deeper into fundamental questions in connection with the seed program,

the most frequent diseases, the biological struggle, and the influence of the facilities for treatment with hot-air currents.

The congress termed the Cuba Libre system—with its technical requirements and three possible variants to apply—a national planting system; and suggested that the experience in this being acquired by Santiago de Cuba Province be guaranteed.

Politburo member Julian Rizo Alvarez was present at the different workshops held on 5 November. The closing ceremony of the Cuban Association of Sugar Technicians [ATAC] congress will take place this afternoon in Santiago de Cuba.

Further on Creation of Electoral Commissions

PA0711172892 Mexico City NOTIMEX in Spanish 2021 GMT 6 Nov 92

[Text] Havana, 6 Nov (NOTIMEX)—Electoral commissions for the 14 provinces and 169 municipalities that comprise Cuba were created on 6 November as part of the preparations for partial elections on 20 December, it was reported here.

The National Electoral Commission said approximately 14,000 electoral district commissions will be formed throughout the Caribbean island this weekend. This is the last phase officially leading to the Cuban electoral process.

According to the electoral system approved by the National Assembly of the People's Government [ANPP] (parliament) in October, the 20 December municipal elections will be held by a direct and secret vote.

Delegates to the municipal assemblies will be elected indirectly through meetings in their areas, but the general elections to appoint deputies to the next parliament will be held by direct vote.

ANPP President Juan Escalona said the municipal elections will suffer no modifications because "experience has confirmed the deep democratic content of the procedure."

The Cuban deputies agreed to replace the previous system of indirect elections with a direct and secret vote to elect legislators and representatives to provincial assemblies, but they rejected this formula for municipal elections.

Pedro Ross, secretary general of the Central Organization of Cuban Trade Unions, urged all the Cuban employees to turn the upcoming electoral process into "an impressive show of support for the revolution."

Roberto Robaina, first secretary of the Union of Young Communists, said the revolution being defended by young Cuban people in the squares will now be defended at the polling places.

Inter-Caribbean Affairs

CET Sparks Controversy Among Caricom Leaders

FL0911232492 Bridgetown CANA in English 1859 GMT 9 Nov 92

[By Linda Hutchinson]

[Text] Port of Spain, Trinidad, Nov 9, CANA—Caribbean Community leaders may have agreed to a new Common External Tariff [CET] regime but the lowered rates seem set to be just as controversial as the original zero to 45 percent range.

Some manufacturers are already predicting massive loss of jobs in their sector as their products lose ground to extra-regional imports and some governments are concerned that the zero to 20 percent range to be phased in by January 1, 1998 could erode their revenue base.

".... We will not have a Common External Tariff until January 1, 1998....," said the president of Trinidad and Tobago's manufacturing association, Neil Poon-Tip, who is also concerned that the agreed January 1993 date to begin the reduction is a "fairly drastic" time frame. "We're going to give up our position of strength, take away hundreds of thousands of jobs Caribbean-wide, and I know the figure would be in excess of half a million people employed in the region," said Bobby Khan, the president of the Barbados Manufacturers Association.

Caricom heads, at their July regular summit, ordered a review of the original CET following complaints by Jamaica on the one hand, and some of the seven-member sub-regional Organisation of Eastern Caribbean [States] (OECS), which feared the impact of high taxes on the cost of living. The 13-nation community had also come under pressure from the United States and multi-lateral lending institutions for a more liberal trading regime. When the leaders met in a special summit in Trinidad late October, they concluded that from the beginning of 1993 for two years, the rate would be five (a zero to five low for the less developed countries) to 30-35 percent. At the beginning of 1995 for two years, the rate will peak at 25-30 percent. At the beginning of 1997, the rate will peak at 20-25 percent, and from the beginning of 1998, the maximum is expected to be 20 percent.

Member states were urged to enact the necessary legislation to give effect to the CET as a "matter of urgency" by the end of June next year and also for members to install the necessary arrangements for prompt payment for intra-regional trade. The 12 members of the common market (the Bahamas is not a member) are expected to implement the arrangements within six months of each commencement period while Belize—a strong supporter of the original regime—will have a two-year lag on each period.

Planning minister Lester Bird of Antigua and Barbuda—one of four countries which had not implemented the

original tariff—said he was optimistic that the twin-island state would introduce the new CET. He said his government was "not unhappy" with the new structure.

"With the whole new approach of phasing it in over the years, I believe we will have the absorptive capacity," he said adding that there was some uncertainty over the impact of the last CET on the economy. "As you know, we have no personal income tax and we rely a lot on our taxes and duties for our revenue, and so we again have to be a little bit more careful in terms of how we deal with matters of that nature," Bird said.

According to Poon-Tip, for Trinidad and Tobago's two billion dollar (one TT dollar = 23.5 U.S. cents) manufacturing sector to survive, there is a need for supporting policy measures for manufacturers, linked to the new tariff structure. "We need the commitment from the governments in the region, from the government here and from the Caricom secretariat that the package for the phased rate structure would be tied to this," he said.

It was agreed by the heads that a working group, which was mandated at the July summit to review the CET, would continue its work with regard to right of establishment, trade in services, the international trade strategy, legislation dealing with anti-dumping and countervailing duties. The group is expected to report to the Council of Trade Ministers, which will make proposals to the next mid-sessional meeting of the conference of heads of government next March in Dominica. The leaders also felt that in order to strengthen the productive sector and to speed the progress towards making exports internationally competitive, other policy support measures should be created. These include the development of related origin rules, an incentives regime, the harmonisation of internal and other fiscal systems, a common trade policy, and arrangements to facilitate production integration.

The director of the Institute of Business at the St. Augustine Campus of the University of the West Indies, Dr. Bhoe Tewarie, said since agreement on the tariff was based on compromise, it was left to be seen whether it would be implemented across the board by all countries without derogations and exceptions.

"That will determine first of all if all Caricom countries would be approaching the international market on an even basis," the former trade minister said. "(Secondly), it has to be seen in the context of a number of things including exchange rate which have implications for devaluations in certain countries. It has to be seen in the context of a number of supports to the sector if it has to survive and to transform itself. There is no question in my mind that some will collapse and that will have economic, human, and political implications," he said. Against that background, said Tewarie, it was important that essential elements were put in place to transform manufacturing and expand the export thrust of the region. "There may also be the need for clear and supportive incentives for exporters and .... The generation of business confidence and investor confidence," he said. Tewarie said those industries which may survive were the multi-national corporations which were already taking steps to become internationally competitive. He said some businesses may also need to look internally at a restructuring of their financing and upgrading of their level of technology.

"They can do something about training of employees, strategic thinking, planning, marketing .... which would help," he said. But the question remains: Will the countries implement this new tariff as they pursue the aim of integrated economies?

Caricom Plan for LIAT Airline Privitization Noted

FL2810164892 Bridgetown CANA in English 1453 GMT 28 Oct 92

[Text] St George's, Grenada, Oct 28, CANA—Caribbean Community (Caricom) governments are looking to the region's private sector and a competent international airline to purchase the inter-island airline LIAT, St Vincent and the Grenadines Prime Minister James Mitchell said.

Mitchell, appointed by shareholder governments to look after LIAT's privatisation, told CANA here Tuesday [27 October] following an East Caribbean Monetary Council meeting, that the Caribbean Development Bank (CDB) and his committee would select international consultants to complete the job.

"I would like to see it privatised. I certainly don't want to see it left owned by eleven governments. Let us get on with the privatisation and get the job done," he said.

Mitchell said the CDB had extended the deadline for business people to register their interest in LIAT. He said Caricom heads of government would decide which potential purchaser is suitable to buy the airline. He declined to say who have already expressed interest in the airline.

Mitchell said he expected to fulfill his mandate to bring about the privatisation of LIAT by year-end.

Barbados

Sugar Firm in Receivership; Future Crop Uncertain

FL0611230092 Bridgetown CANA in English 1654 GMT 6 Nov 92

[Text] Bridgetown, Barbados, Nov 6, CANA—The company managing Barbados' ailing sugar industry has been placed in receivership amid uncertainty about harvesting of next year's crop. Barbados Sugar Industry Limited (BSIL), the private sector firm that has run the industry, and its main creditor, the state Barbados

National Bank [BNB], agreed to the receivership which was formally announced by chief justice Sir Denys Williams Thursday.

Joint receivers Carl Crichlow and Juliet Hinds of the chartered accountants firm, Peat Marwick, have been ordered to provide security estimated at seven million dollars (one Bds dollar = 50 U.S. cents) and have been given the authority to seek loan funding to keep the industry going.

The BNB, which is owed 200 million dollars by the sugar industry, stopped providing funds to BSIL last month, when the last batch of temporary workers went home. Raising the funding to pay for planting of cane and maintenance of facilities is important to a crop being harvested next year. The bank and BSIL had approached the court to have the receivership implemented as a matter of priority, the Barbados ADVOCATE quoted an unnamed source Friday [6 November] as saying.

Barbados was forced to import sugar from Guatemala this year to meet domestic needs after output of just under 55,000 dollars, the lowest in 60 years. The local crop went to the European Community under a quota arrangement with African, Caribbean, and Pacific (ACP) countries.

BCCI Replacement To Begin Business by Mar

FL0611231292 Bridgetown CANA in English 1718 GMT 6 Nov 92

[Text] Bridgetown, Barbados, Nov 6, CANA—A bank to be run by the insurance company, Barbados Mutual Life Assurance Society, which has taken over the assets of the collapsed Bank of Commerce and Credit International (BCCI), is expected to begin business by March. The likelihood follows Thursday's [5 November] official winding up of the formerly Middle East-based BCCI by chief justice Sir Denys Williams.

The joint custodians have been given the authority to enter into agreement with the official liquidator in the Cayman Islands which would release any claims the Barbadian depositors have against the Government of Abu Dhabi, the majority shareholder in the bank.

The Government of Abu Dhabi has been providing funds to pay depositors worldwide about 40 cents on each dollar. However, since Barbadian depositors, under the sale of the bank's assets to the Mutual Finance Company, will get back their full deposits, they will not be allowed to share in any money from Abu Dhabi under the arrangement.

On August 31 the chief justice agreed to the sale of the BCCI's assets to the Mutual, but the deal had to be approved by Cayman Islands courts before it could be approved, since the local BCCI was a branch of the Cayman Islands company.

Opposition Head Calls For Technical Aid to Guyana

FL2510211392 Bridgetown CANA in English 1803 GMT 25 Oct 92

[Text] Bridgetown, Barbados, Oct 25, CANA—Barbados opposition leader Henry Forde called on the government Sunday [25 October] to extend technical assistance to Guyana to help with the reconstruction of that Caricom [Caribbean Community] state. Speaking at the annual conference of his Barbados Labour Party (BLP), Forde cited a lack of management expertise in Guyana which he linked to a brain drain under the former People's National Congress (PNC) government.

Forde, a critic of Guyana's electoral system under the PNC, welcomed the holding of free and fair elections earlier this month that saw the defeat of the PNC after 28 years in power and the election of Dr. Cheddi Jagan's People's Progressive Party (PPP).

Forde criticised what he said were Barbados' ruling Democratic Labour Party's links with the PNC. "Their peculiar closeness.... over the years ought to give them a particularly good perspective as regards the needs of Guyana." Forde also called for international assistance for Haiti but he lamented his call was being made "in a world where the rich governments.... have little patience with the needs of Caribbean countries."

"I believe that for Haiti to be effectively and securely launched on a democratic path, the international community must devise and fund a comprehensive programme for the development of infrastructure, both economic and political."

"The Haitians need that assistance and they need time. The wealthy governments can afford to provide that assistance and buy them that time. But there is certainly no sign that action from these quarters is forthcoming," said Forde, a former attorney-general and foreign minister.

Haiti

Bazin Meets Private Sector; Advocates Dialogue

FL0911230192 Port-au-Prince Radio Metropole in French 1145 GMT 9 Nov 92

[Text] The prime minister met with the Association of Haitian Manufacturers, ADIH; and the Inter-American Business Association. At the invitation of these two business associations, Marc Bazin participated last week as the honorary speaker at a luncheon organized at the Holiday Inn Hotel.

After words of welcome by Roudolphe Boulos and ADIH president, Jean-Edouard Baker, who made a point of congratulating the prime minister for his action taken in reopening some of the manufacturing industries, the consensus prime minister in turn developed points on

the state of negotiations with the international community, whether to put it into private hands, and the issue of corruption.

In response to a report on the prime minister's activities on the negotiations, Marc Bazin pointed out that the government had received, in accordance with the terms of the Villa D'Acceuil agreement, the explicit mandate to find a durable solution acceptable to all the concerned parties. He presented a review of the steps taken so far, the latest being the meeting between Foreign Minister Francois Benoit and Michael Manley, the OAS-designated arbitrator. Another meeting is planned for the near future in Kingston, Jamaica, between the government and Aristide's representative. According to Marc Bazin, it is clear that the consensus government is part of the solution, not the problem.

Regarding relations between the public and private sectors, the project of creating a committee for dialogue between sectors is materializing. On 6 November, the head of the consensus government held a working session with representatives of the private sector at the National Palace. On that occasion, proposals were based on a plan that will define the tasks of the private sector/public sector committee. The dialogue committee will have as its mission, developing better relations between the two sectors; facilitating participation of the private sector in the conception, elaboration, and implementation of the national economic development plan; and formulating recommendations to both sectors to promote growth, employment, and social welfare in Haiti.

As to the question of privatizing the economy, historical recall brought to the fore, the role of the public sector in the national economy. The prime minister, during this meeting with members of the private sector at the Holiday Inn, presented his view of the problems involved in privatization. To him, the fundamentals consist of systematically modifying the frontiers between the public and private sectors. Principles he listed as helpful in guiding this approach were open-mindedness, total availability— to avoid replacing a public monopoly with a private monopoly because what is closed remains closed; transparency; compensation and an anticipated retirement plan before operations begin; and plan flexibility regarding the methods and the sectors of activities to be put into private hands. The consensus prime minister also talked about the techniques and institutional framework required to put the economy into private hands.

Deputy Seeks Departure Authorization for Refugees

FL0611214592 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 6 Nov 92

[Text] Deputy Samuel (Modestin) asks the foreign minister to take steps so Haitians who have sought asylum at the Mexican Embassy can receive authorization to leave the country. In a letter to the foreign minister dated 3 November, Deputy (Modestin) says he has been taking steps with the Foreign Affairs Ministry for over two months without managing to acquire departure authorization.

In the same letter, Deputy (Modestin) points out that some of these people have been at the embassy for 12 months. Among them are the former Aquin vice delegate and some members of President Aristide's security staff. The inquiries he made to the Justice Ministry confirm that none of these people have problems with the current authorities. However, the Foreign Affairs Ministry has not made the necessary arrangements to enable them to leave the country.

Deputy (Modestin), who does not specify the identities nor the number of people at the Mexican Embassy, hopes that through this letter, the foreign affairs minister will give them satisfaction.

Further on Senator Bauduy Arrest in Anse-a-Pitre

FL0411164792 Port-au-Prince Radio Metropole in French 1145 GMT 4 Nov 92

[Text] Senator Guy Bauduy spent a night in jail. The third senator for the Southeast Department was arrested with two other people in authority in the town of Anse-a-Pitre and spent the night of 1 November in a cell in the town's jail along with 15 other people.

Guy Bauduy was apprehended while he was taking part in a meeting with the justice of the peace, the town mayor, and other citizens regarding a series of developmental projects. The senator was arrested for holding a meeting without the authorization of the military of the town. They were freed by order of the military commander in Thiote where the senator, the justice of the peace, the Anse-a-Pitre mayor, and the other citizens attending the meeting were transferred.

ACP, Deputy Lamarre Denounce Arrest

FL0611163692 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 6 Nov 92

[Text] Before Senator Guy Bauduy's news conference, two notes of protest relating to that matter were published respectively by the Alliance for Parliamentary Cohesion [ACP] bloc and Deputy Maxo Lamarre. According to the ACP, Sen. Bauduy's arrest is another violation against what is called parliamentary immunity. The ACP asks the executive as well as military officials to take all necessary measures against the culprits and to bring them before the court as required by law.

Deputy Maxo Lamarre denounces the act of trespassing on his property by the commander of the Anse-a-Pitre subdistrict on 1 November. He also condemns the arrest of a member of the legislative body, Sen. Guy Bauduy ,(?which was carried out) contrary to the provisions of Articles 114, 114.1, 114.2, and 115 of the Constitution. He also denounces the arbitrary arrest of Mayor Patrick (Aubasson), Justice of the Peace (Descardes Endroit), Anse-a-Pitre

Chapel Manager Beauvais Andre, two engineers including Andre Philemon and.... [pauses] Andre Pierre and Philemon who were cashiers in the commune, and many other people. This is a total of 12 arrests. Deputy Lamarre asks that appropriate measures be taken against the culprits, especially against the subdistrict commander who committed other actions that might compromise the reputation of the military institution.

Assembly Formation Updated; Senators on Elections

FL0911230392 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 9 Nov 92

[Text] The formation of territorial assemblies continues despite the opposition of several sectors in the Haitian political class. The South Department has already chosen three persons as candidates for the Permanent Electoral Council [CEP]. Regarding communal assemblies, five departments have already set up their assemblies. They are the Northeast, South, Southeast, Grand'Anse, and Artibonite Departments. The Central, Northwest, West, and North Departments are nearing completion. Three departments have already finished with the formation of municipal assemblies, including the Artibonite, Grand'Anse, and South Departments. The Departments of the Northwest and Southeast have almost finished, whereas the West Department has formed only five of 18 municipal assemblies.

On 23 September, Prime Minister Marc Louis Bazin issued an order asking for the formation of territorial assemblies to comprise the CEP. The government set the month of November as the deadline to establish all these structures intended to result soon in elections for the renewal of one third of the Senate of the Republic and for the replacement of the deceased Senator Alberto Joseph. According to observers, these elections must be held at all costs. Sen. Julio Larosiliere even said the executive will be responsible if the elections are not held.

Some others, such as Sen. Turneb Delpe, do not agree that these elections should be held; they feel that the country's crisis should be resolved prior to the election of one third of the Senate. Sen. Rony Mondestin said there would be no problem if the elections were not held as the Senate can work with 17 senators. Former Sen. Reynold Georges said it is not normal for the parliament to have a reduced number of members, or their decisions would be null and void. This means elections must be held for renewal of the Senate. This statement was supported by a Haitian jurist who explained that the Constitution very clearly states how many seats are required in the Senate of the Republic.

Cedras Agrees With Army, Police Separation

FL0611164892 Port-au-Prince Radio Metropole in French 1145 GMT 6 Nov 92

[Text] The Haitian Armed Forces commander in chief [General Raoul Cedras] has given his approval to the governmental plan for the creation of a police force separate from the Army. During the last Council of Ministers meeting, Interior Minister Carl Michel Nicolas informed the government about a letter on this. In his letter to the interior minister, Gen. Cedras allegedly spoke of the willingness of the military which he heads to work toward the materialization of Article 269-1 of the Constitution, the article relating to the creation of police forces.

International Delegations Against Repression Arrive

FL0311235992 Port-au-Prince Radio Metropole in French 1700 GMT 3 Nov 92

[Excerpts] At the initiative of several Haitian people's organizations, a national conference on repression will be held in Port-au-Prince on 6 and 7 November. The participation of several foreign delegations is noteworthy. Guilloto Francois has the following report:

[Begin Francois recording in Creole] Two of the 14 members of the international committee participating in the conference against repression arrived in Port-au-Prince today. One of them, Ralph (Shulman), secretary general of the International Committee Against Repression in the World, stated this morning at the Port-au-Prince airport that his role in an international conference against repression in Haiti, is to acquire information about the cases of repression occuring in the country. Mr. (Shulman) also stated that the international organizations want to show the Haitian people, through the conference, that the Haitians fighting against torture and cases of disappearance are not alone. [passage omitted]

(Shulman) further stated that the OAS embargo against Haiti is not an effective economic sanction against the authorities currently in power. He let it be known that he condemns the attitude of the American Government that, according to him, is supporting the Port-au-Prince authorities. [passage omitted]

Several delegates from the United States, representatives of black American labor unions, will participate in the international conference against repression that will take place on 6 and 7 November in Port-au-Prince.

(Lumbert Boit), leader of the Patrice Lumumba Coalition, and Lionel (Police), 1962 Nobel Peace Prize winner, will arrive in Port-au-Prince on 5 November for the conference.[end recording].

Conference Held

FL0911172892 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 9 Nov 92

[Report on international conference against repression held in Port-au-Prince on 6 and 7 November—recorded]

[Excerpts] An international conference against repression in solidarity with the Haitian people was held in

Port-au-Prince on 6 and 7 November 1992 with the participation of some 19 foreign delegates who are working on human rights in the Association of Union Peasants in the United States, Guadeloupe, Venezuela, and Dominica [association name as heard].

According to Ronald Saint-Jean, the purpose of the international conference against repression is to bring together a large front supporting the transfer of power by the 30 September 1991 government to the government resulting from the events of 16 December 1990, to support respect of democratic freedoms, and to prevent repression against the people of the nation. The participation of those 19 foreign delegates indicates, in Ronald Saint-Jean's opinion, sensitivity to the Haitian case on the part of the worker class throughout the world. [passage omitted]

According to Saint-Jean, repression in the country has taken several forms. There is one kind of repression in which people are beaten, killed, [word indistinct], and murdered. There is another kind that is economic repression (?characterized by the fact that) the majority of the working class is unemployed. This, Saint Jean believes, is a generalized repression. [passage omitted]

If this situation does not change, says Ronald Saint-Jean, the country will experience a true revolution in which the worker and the peasant classes will seriously offer up their lives. During the international conference against repression, several workshops were held: a union workshop, a peasant workshop, a workshop on people's organizations, and a workshop on the solidarity that mayors in various countries can give to the 16 December 1990 and 20 January 1991 elected representatives who have taken to the bush.

The final resolution to result from the international conference, states Saint-Jean, will address repression in the country and will create an international campaign against repression on the international level, a committee to defend the victims of repression in Haiti. We are pointing out that the final resolution of the international conference against repression will be issued today in Port-au-Prince.

Further on Reaction to Clinton's Presidential Win

Conacom Congratulates Clinton

FL0611175292 Port-au-Prince Radio Metropole in French 1145 GMT 6 Nov 92

[Text] The National Congress of Democratic Movements [Conacom] sent a telegram to the U.S. Democratic Party. Conacom presented its congratulations to the U.S. party on the victory of its candidate Bill Clinton in the 3 November elections. Conacom also warmly hailed the arrival of this new generation of democrats to the White House. Being a socialist-democratic party, Conacom hopes that the Clinton-Gore experience serves to improve the well-being of the American people and to augur a new era in the relations between the United States and the countries of the South of which Haiti is a part.

Gonaives Populace Applauds Clinton

FL0411205592 Port-au-Prince Radio Tropic FM in Creole 1200 GMT 4 Nov 92

[Text] People in Gonaives hailed Bill Clinton's victory with much pleasure. Let us listen to our correspondent there.

[Begin Gonaives correspondent recording] The entire Gonaives city has applauded Bill Clinton's victory. Since NBC announced at around 0004 GMT that Bill Clinton was leading in 23 states whereas Bush was leading in five states, many people in several neighborhoods in Gonaives such as Lotbo Canal, Raboteau, Descahos, and [word indistinct] got up to applaud Bill Clinton's victory. The Gonaives people spent a sleepless night in front of their television and radio sets hearing and seeing how the (?results of the) American elections were unfolding. It was with much pleasure—and the Gonaives people got up very early this morning—and with smiles on their lips that several groups of people were saying what they think about Bill Clinton's victory. [end recording]

Jamaica

Patterson Views Caricom Summit as 'Outstanding'

FL0311165192 Bridgetown CANA in English 1626 GMT 3 Nov 92

[Text] Kingston, Jamaica, Nov 3, CANA—Jamaica prime minister, P.J. Patterson, has described last week's Caribbean Community [Caricom] heads of government summit in Trinidad and Tobago as "outstanding" and "a most purposeful of meetings."

"Its accomplishments are outstanding and should mark a definitive landmark in the progress towards the process of regional economic integration.... not only Jamaica, but all have reason to be delighted with the outcome of the summit," Patterson told journalists.

The prime minister was particularly pleased with compromise agreements on the Common External Tariff (CET) and on ways to strengthen action on decisions within the community. The regional heads agreed that effective January 1 next year, member countries will implement the CET at levels not higher than 30 to 35 per cent at the top—down from 45 per cent—and 5 per cent at the bottom. By 1998, the ceiling will be reduced to 20 per cent, which Patterson claims is "the rate that will enable Jamaica and Caricom to compete with the rest of the world."

The aim, he said, was to "force the productive sector to be competitive and ensure that manufacturing sector continues growth which is export-led". Jamaica had originally recommended an immediate ceiling of 20 per

cent, arguing that drastic liberalisation of the tariff system was necessary to avoid the region being marginalised in an emerging era of economic liberalisation and globalisation.

St. Kitts and Nevis

Diplomatic Relations Established With Guatemala

FL3010182292 Bridgetown CANA in English 1533 GMT 30 Oct 92

[Text] Basseterre, St. Kitts, Oct 30, CANA—St. Kitts and Nevis has established diplomatic relations with the Central American republic of Guatemala, it has been officially announced here.

A government release said relations at the ambassadorial level were formally announced Thursday [29 October]. The two countries decided on the move "to strengthen relations in the areas of peace and cooperation," it added.

The permanent representatives of St. Kitts and Nevis Dr. William Herbert and Guatemala Romeo Escalante Leiva signed the accord on behalf of their respective governments. To-date, St. Kitts and Nevis has established diplomatic relations with five of the six Central American countries, Costa Rica, El Salvador, Nicaragua, Panama, and now Guatemala.

Trinidad and Tobago

Tobago House of Assembly Elections Announced

FL0611232592 Bridgetown CANA in English 2145 GMT 6 Nov 92

[Text] Port-of-Spain, Trinidad, Nov 6, CANA—Tobagonians will go to the polls on December 7 to elect the governing Tobago House of Assembly. Trinidad and Tobago prime minister and minister responsible for Tobago affairs, Patrick Manning, made the announcement in Parliament Friday [6 November]. The Tobago House of Assembly [THA] administers the island's affairs with a budget approved by the central government in Port-of-Spain.

The sister-isle, which has always had a lukewarm relationship with the ruling People's National Movement (PNM), has traditionally supported the Democratic Action Congress (DAC) which was dissolved and merged with the National Alliance for Reconstruction (NAR).

The former DAC leader, A.N.R. Robinson, a former prime minister, Thursday called on Manning to finalise constitutional arrangements before calling the elections. But Manning said separate teams representing government and the THA have been meeting and discussions were now required from the political level. ".... I, as prime minister and responsible for Tobago in January 1992, embarked on a process of closer co-operation between the elected officials of the THA and those from the central government," he told the house.

"Further to this, in an effort to ally the fears of those Tobagonians who might feel insecure about the nature of arrangements which exist between our islands, I, as prime minister of Trinidad and Tobago, initiated the process of dialogue aimed at establishing the necessary constitutional guarantee which will permit and foster the legitimate expressions of desire of Tobagonians for greater control of their internal affairs within the unitary state of Trinidad and Tobago," he said.

Costa Rica

Experts Regard International Reserves 'Sufficient'

PA0711174592 San Jose LA NACION in Spanish 28 Oct 92 p4a

[Article by Marvin Barquero]

[Text] According to several economists, the country has sufficient monetary reserves to guarantee exchange rate stability, one of its chief functions.

Despite differences in the methods used by the Costa Rican Central Bank (BCCR) and the IMF to calculate the country's international monetary reserves, experts feel the availability of reserves is high.

On 15 October 1991, the BCCR felt it had $866 million in net international monetary reserves, although on 5 June 1992 the IMF put the figure at $388.3 million, according to data included in a report issued in August by the company Consejeros Economicos y Financieros S.A. (CEFSA), which uses the BCCR as its chief source.

The document, entitled "Balance of Payments, Meaning, and Use," published by the IMF, states it is not advisable to include the movement of private short-term capital, namely dollar deposits of residents, when summing up net international monetary reserves.

According to the IMF, this money is deposited for a very short term and, therefore, consists of highly "volatile" transactions that offer very little security regarding the length of time they will be held. The BCCR considers them to be "hard cash" and their existence cannot be denied.

The IMF methods exclude the delays in paying foreign debt. The country's chief problem right now in this field is its obligation to the Paris Club, which consists of the central government and autonomous institutions' obligations, because the BCCR has gotten over that hurdle.

The IMF excludes these dollar reserves because it considers them committed to a special purpose. The BCCR, however, feels the Executive Branch can decide whether to use these resources to pay part of its foreign debt or allocate them to another purpose.

IDB Approves Loan for Hospital Construction

PA0711035692 San Jose Radio Reloj in Spanish 1730 GMT 6 Nov 92

[Text] The Inter-American Development Bank [IDB] has approved construction of the Alajuela Hospital, which could start in the first months of 1993, and health center renovations for a total of $60 million.

Dr. Elias Jimenez, president of the Social Security Institute, said $42 million will come from the IDB and $18 million from local funds. The IDB board of directors will discuss final approval of this loan on 25 November and the Legislative Assembly will debate it afterward, Jimenez added.

El Salvador

Government, FMLN Agree To End Conflict 15 Dec

PA0911231392 San Salvador EL DIARIO DE HOY in Spanish 9 Nov 92 p 74

[Text] It has been officially announced that, this weekend, the government and the Farabundo Marti National Liberation Front [FMLN] reached an agreement to comply with putting a formal end to the subversive war on 15 December.

The UN Observers for El Salvador (Onusal) announced that "an agreement has been reached....with regard to a new timetable to implement the reforms that were pending and the guerrilla disarmament."

The source also reported that UN Representative Alvaro de Soto left for New York on 8 November following eight days of separate consultations with President Alfredo Cristiani and FMLN leaders. According to the report, De Soto is to report to UN Secretary General Butrus Butrus-Ghali that an agreement has been reached concerning the upcoming phases of the peace process.

The communique stressed that the UN secretary general "wants to praise President Cristiani and the FMLN for the constructive spirit and true cooperation they have shown to overcome the difficulties that had cropped up...."

"This is a positive sign for the development of the next delicate stage of this process, a process that will culminate with the formal end to the armed conflict on 15 December 1992," it added.

Armed Forces Reject Coup Rumors, Back State

PA0911223792 San Salvador EL DIARIO DE HOY in Spanish 9 Nov 92 p 74

[Text] The Armed Forces on 8 November flatly rejected rumors of a coup d'etat and discontent within the Army ranks and requested the people not give any credence to such speculations.

The Armed Forces voiced their stand and rejected the defamatory rumors in a six-point document. These six points are as follows:

1. The Armed Forces are a permanent institution at the service of the nation. They are obedient, professional, apolitical, and nondeliberative.

2. The Armed Forces are part of the Executive Branch, and they fall under the authority of the president of the Republic, in his capacity as commander in chief.

3. Based on the above, the Armed Forces reiterate their conviction of continuing to contribute with the government of the Republic to the process of strengthening peace in our country and they reiterate their commitment to fulfill their constitutional mission.

4. The Armed Forces state that all of their actions are within the framework of maintaining the institutionality of the state according to what is established in a legitimate state of law, thus showing its unyielding democratic conviction.

5. The Armed Forces flatly reject rumors of a "coup d'etat" and of "discontent within the Armed Forces," and they reiterate full support for the government of the Republic.

6. The Armed Forces appeal to the citizenry in general so that it will not be surprised by rumors or speculation that seek to confuse people or cause uncertainty among the national and international communities.

Ponce Issues Appeal To Consolidate Peace Process

PA0911150892 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 9 Nov 92

[Text] Defense Minister General Rene Emilio Ponce has issued an appeal to all the sectors involved in the peace process, urging them to join efforts and work for the consolidation of the reforms. The military commander gave statements to the media and said all the forms of social confrontation must be avoided because this will help strengthen the process.

He said the critical situation which has arisen concerning the peace accords is being exploited by reactionary groups who oppose the process' consolidation. Gen. Ponce added he is willing to testify before the Legislative Assembly concerning the meetings his ministry is carrying out with representatives of various groups.

Ponce Reportedly To Leave Post in April

PA0911232892 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 9 Nov 92

[Text] General Rene Emilio Ponce, the defense minister, will be one of the last to leave his post within the framework of the purging of the Salvadoran Armed Forces, a source close to the negotiations has disclosed in San Salvador.

The source, which asked not to be identified, said it is a fact that Gen. Ponce heads the list of more than 100 officers who must leave their posts during the first months of 1993 as part of the negotiation process.

The source added that from the group of officers of the so-called La Tandona—members of the 1966 graduating class of the Captain General Geraldo Barrios Military Academy who control the main positions within the Armed Forces—the only ones who will not be affected by the purge will be Generals Gilberto Rubio and Mauricio Vargas, Armed Forces chief of staff and deputy chief of staff, respectively.

As part of the peace agreements between the guerrillas and the government of Alfredo Cristiani, an Ad Hoc Commission was created to study the activities carried out by ranking military officers during the civil war of the past decade. Gen. Vargas headed the Armed Forces delegation during the negotiations with the Farabundo Marti National Liberation Front.

Although so far the government of President Cristiani has not disclosed the recommendations made by the Ad Hoc Commission, various sources have leaked information to the press.

The source said that the High Command has pressured Cristiani during the past few weeks to carry out the purging of the Armed Forces gradually.

We have learned that Ponce and several of his assistants will leave their posts in April 1993, four months after the process begins.

According to the timetable established for the implementation of the agreements, the Cristiani government must begin removing the military officers effective 15 December, after the guerrillas have demobilized all their forces.

Cristiani Welcomes Guatemalan President

PA1011041392 San Salvador Radio Cadena YSU in Spanish 1800 GMT 9 Nov 92

[Text] Guatemalan President Jorge Serrano Elias arrived in El Salvador on 9 November to pay a two-day visit to his Salvadoran counterpart. President Serrano arrived at approximately 1130 accompanied by the Guatemalan foreign minister and other government officials. President Alfredo Cristiani welcomed him with military honors at the Presidential Palace, where the two presidents are currently discussing matters of interest to the two Central American nations.

At approximately 1500 President Serrano will go to the Legislative Assembly where there will be a special session in his honor. President Jorge Serrano Elias will sign a joint declaration with the Salvadoran Government and will participate in various activities on 10 November.

President Cristiani made the following speech to welcome President Serrano to the Presidential Palace:

[Begin Cristiani recording] His Excellency Jorge Serrano Elias, president of the sister nation of Guatemala, honorable members of the delegation accompanying him, ambassadors and heads of missions accredited to our country, cabinet members:

Mr. President, Salvadorans are honored by your visit to our country. Our countries are immersed in a process of change, a process that will result in a more promising

future for our peoples. We must say that we have seen in you a head of state who is not only concerned about your people—the Guatemalan people—but also about all Central American peoples. It is always a pleasure to work with you toward what we have called our great objective: the great Central American homeland. For Central America you are one of the leaders whom destiny has chosen at this time in Central America's history to promote a goal not only cherished by our forefathers but now by all Central Americans.

We hope your visit to our country will be fruitful and pleasant. We are sure the traditional ties of friendship uniting the Guatemalan and Salvadoran peoples will benefit from your visit to our country. We hope you will feel the same warmth and sincerity we experienced in Guatemala a few months ago.

Welcome to El Salvador, President Serrano. We wish you a pleasant and fruitful visit. [end recording]

Guatemala

Resistance Communities on Suspension of OAS Visit

PA1011140392 Guatemala City Teleonce Television in Spanish 1800 GMT 9 Nov 92

[Communique issued by the Communities of Resistant People, CPR, in La Sierra and Ixtan, El Quiche, and representatives in Guatemala City, read at a news conference in Guatemala City on 9 November by an unidentified CPR representative—recorded]

[Text] 1. On 4 November, the president of the OAS Inter-American Human Rights Commission officially announced the suspension of his visit to the Communities of Resistant People [CPR] scheduled for 5 November. He said the visit was suspended at the recommendation of a military spokesman, which was carried by the media.

2. The CPR in La Sierra and Ixtan hereby protest the fact that the visit was suspended because of Army pressure and threats against members of the OAS delegation.

3. The reasons given publicly by Defense Minister General Jose Domingo Garcia Samayoa to impose the suspension of the OAS delegation's visit to our communities are false and contradict the position the Army publicly stated after a meeting with the multipartisan commission on 17 September 1992. They also contradict the recognition of the CPR as a civilian population as publicly expressed by Colonel Otto Perez of the Armed Forces General Staff at a news conference on 31 August 1992.

The Army had finally recognized what numerous national and international personalities had already accepted:that the CPR is made up of civilian peasants. Apparently the Army was about to begin a new phase of seeking solutions to our problems in a civilized way. Unfortunately, during the past months and weeks the bombings, arrests, machine gunning and attempts to infiltrate our communities were resumed, as we reported.

The defense minister has said on various occasions that no credit should be given to reports on clashes with the guerrillas other than those issued by the Army's Information and Press Department, DIDE. In that regard, the DIDE has not reported any armed clash during the past few weeks or days in the Ixtan or La Sierra areas. Why then did Gen. Samayoa recommend that the OAS Inter-American Human Rights Commission not visit the CPR? Is it because there are clashes in that area?

4. We protest the fact that the Army is trying to hide its repressive actions, which violate the human rights and international humanitarian rights of the civilian population. We protest the fact that the Guatemalan Army did not offer any guarantees to protect the members of the OAS delegation during their scheduled visit. We protest the continuation of the Army's repressive policy against the CPR.

Therefore,

A. We request that the Inter-American Human Rights Commission carry out as soon as possible the scheduled verification visit to the CPR in La Sierra and Ixtan.

B. We demand from the Army a serious attitude and recognition of our status as a civilian population and respect for all our rights without contradictions among military spokesmen and retractions in its position with regard to finding solutions to our problems.

C. We request from national and international personalities who have visited us—religious, human rights, humanitarian, labor, professional, journalistic, grass roots, academic, and other national and international organizations—to continue supporting our communities and that they demand a serious and definite recognition of the CPR by the Army, and that they continue to center their attention on the human rights situation in Guatemala.

[Signed] CPR in La Sierra and Ixtan and representatives in Guatemala City.

Government Minister Comments On Youth Gangs

PA1011042292 Guatemala City Teleonce Television in Spanish 2100 GMT 9 Nov 92

[Text] Individuals riding in a vehicle on 9 November attacked a National Police patrol car in Ciudad San Cristobal. This action is one more in a list of criminal actions that have been carried out recently in various parts of Guatemala City. Such actions include those committed by the gangs of juvenile delinquents which are again causing unrest just one week after the police carried out vast operations and arrested hundreds of gang members.

During a 9 November news conference, Government Minister Francisco Perdomo commented on the attack on the police patrol car and the problem stemming from the youth gangs:

[Begin recording] [Perdomo] On the morning of 9 November, a National Police patrol car was fired on by persons riding in a pickup truck. The police had ordered the driver of the pickup truck to stop, but he answered with gunfire. A shoot out followed. I have been told that one policeman and two criminals were injured. They have been taken to a hospital, but as soon as the law permits, the criminals must be turned over to the courts.

[Unidentified reporter] Where did this attack take place?

[Perdomo] In Ciudad San Cristobal.

[Reporter] Were drug traffickers involved?

[Perdomo] We are investigating who were involved. We are also investigating why the individuals did not heed the order to stop and responded with gunfire.

[Reporter] How many criminals were wounded?

[Perdomo] Two persons were wounded.

[Reporter] [question indistinct]

[Perdomo] The truth is that makes us very angry. As you will recall, just a few days ago we had cleaned up the city from the youth gangs. The individuals were again released, they are back in action, and we currently are determining what actions we will take to counter this again. If we have to continue playing this game of arresting them one day and releasing them again the following day, we will do so. However, we will not allow them to continue these actions without any punishment.

The government is determined to continue fighting these youth gangs. On several occasions, we have turned the gang leaders and entire gangs over to the courts. Later, the courts released them, which is what happened this past weekend. Once again, the gangs go out to vandalize, greatly harming the innocent civilian population. We are worried. We believe firm, legal measures must be adopted. We are working on them. We are once again calling on the support of the Judiciary Branch and the authorities entrusted with the administration of justice so that they will give the community all the support it needs, and they will guarantee the physical integrity of the people, as well as the state property and services. [end recording]

Mexico Praises Decision To Recognize Belize

PA0611150992 Guatemala City SIGLO VEINTIUNO in Spanish 5 Nov 92 p 5

[Text] The Mexican Embassy on 4 November made public the letter Mexican President Carlos Salinas de Gortari sent to President Jorge Serrano Elias regarding his decision to recognize Belize:

Dear Mr. President:

Within the context of the current debate in your country, I wish to reiterate the Mexican Government and people acknowledge your government's exemplary decision to recognize Belize. The new atmosphere of respect for the autonomy of peoples that has emerged in our region favors the development of all the Central American nations.

Belize is a neighboring country that, within an exemplary democratic atmosphere, is making very significant efforts to consolidate its economic and social development. Thus, Mexico greatly admires and respects your government's decision to recognize Belize's independence and to respect and support its efforts to succeed.

[Signed] Carlos Salinas de Gortari, president of Mexico

Honduras

Government, Italy Sign Agricultural Agreement

PA0811034792 Tegucigalpa LA TRIBUNA in Spanish 6 Nov 92 p 3

[Text] The Honduran and Italian Governments signed an agreement for ECU 35 million, which is equivalent to $50 million, to construct the first phase of the agricultural development program in the Rio Nacaome area.

The two-phase program will be finished in approximately five years and approximately 6,000 hectares of the land in the Nacaome valley will be irrigated, there will be drinking water in approximately 40 communities in the region, and 12 megawatts of electricity will be produced.

This is the first multiple-purpose program and the second irrigation program to be implemented in the country. The first irrigation system was established in El Coyalar, Comayagua in the early 1950's.

The new agreement was signed by President Rafael Leonardo Callejas and the Italian Ambassador Ludovico Mazzeti. Italian Government officials, Honduran Attorney General Leonardo Matute Murrillo, Finance Minister Benjamin Villanueva, and Natural Resources Minister Mario Nufio Gamero were also present at the agreement signing ceremony.

The program's first phase will cost $60 million. The Italian Government will contribute $50 million of these funds under very favorable conditions: a 30-year payment period, a 10-year exemption period, and a 3.5 percent interest rate.

The project will start in November and the first phase will be completed in two and one-half years.

Nicaragua

'Allegedly Subversive Group' Formed in South

PA0911194192 Managua Radio Sandino in Spanish 1830 GMT 9 Nov 92

[Report by Ramon Mercedes Cabrera from Carazo]

[Text] An allegedly subversive group has been formed in the country's south to pressure the government into complying with agreements signed between the government and the military in favor of the poor.

Some members of the front are Commanders Cienfuegos, Gaspar, Ezequiel, De Santo, and Commander Carlos.

Members of the Association of Retired Military in Rivas, in the country's southern border region where the alleged front emerged, have told this radio station that they do not know about the creation of the front, but still they referred to the members of the subversive group as comrades. The association's members described the members of the group as comrades because they struggle for a good cause.

The Rivas police and other authorities are on a state of alert because the already-mentioned guerrilla movement has issued a communique.

Assembly Member on Chamorro, H. Ortega Meeting

PA0611140092 Managua Radio Corporacion in Spanish 2200 GMT 5 Nov 92

[Text] The talks between President Violeta Barrios de Chamorro and General Humberto Ortega and his Nicaraguan general staff did not have satisfactory results for the Nicaraguan people because she failed to reprimand him for the statements he made while she was touring the Nordic countries. The president's communique, revealed to the Nicaraguan people by Presidency Spokesman Danilo Lacayo, was pure nonsense because it simply referred to the good relations prevailing between the government and Army. There was no mention of reprimanding Humberto Ortega Saavedra for his threatening statements against National Opposition Union [UNO] deputies and politicians.

Following is a statement by Dr. Jairo Manuel Lopez, Christian Democratic National Assembly member:

[Begin recording] [Lopez] The official government statement—which caused so much expectation in the country—announcing the results of a long meeting between the Sandinist People's Army [EPS] and the president of the Republic was issued on 4 November. This was an anticlimactic situation—lots of national and international expectation and little results.

Nevertheless, it is worthwhile to mention that her excellency the president had announced she would reprimand the Army for statements made during a recent news conference. What we heard, however, was actually a communique noting two interlocutors sat down to negotiate on an equal basis and reached an agreement. We surmise from the agreement that the Army will not be subject to a reduction.

Furthermore, the executive branch has gained a small advantage because the communique reported regulations would be issued to establish high-ranking military commanders' tours of duty in the Army. Nevertheless, we believe this also implies a law formally and directly approved by the National Assembly will prevent a national debate on the Army issue. I think this is an unconvincing sign to Nicaragua and a disquieting sign to the world.

The Army has increasingly assumed the most important political role in the country—because it actually imposed its will when it stated it will not allow any reduction in its ranks—above all if you consider her excellency the president had announced the EPS would suffer another reduction.

I also think the message to the world is worrisome, particularly if you bear in mind a new administration will assume control of the U.S. Government in a few months. We think great emphasis will be made on critical issues like human rights and democratization processes. In other words, this could result in a greater economic reduction in the international aid to Nicaragua—especially if you bear in mind the United States will be more concerned about its domestic issues than about the rest of the world.

[Unidentified reporter] Doctor, according to political rumors, UNO parties will ask the president to remove Humberto Ortega. Is this true?

[Lopez] Different talks have been held on this issue. The parties represented in the National Assembly have actually issued a note on behalf of the Nicaraguan people. Talks have been held on this issue so the Army's budget and organization are formally outlined in a law. I think this will be an interesting initiative and we must wait until it is drafted in a few days—or weeks.

[Reporter] [Question indistinct]

[Lopez] There is an interesting thing about this. As soon as Bill Clinton was.... [pauses] barely 24 hours after his election, he issued a statement which—I imagine—was addressed to the rest of the world. He said that during his administration, the United States will maintain a degree of continuity concerning the pledges and foreign policy guidelines followed by the Bush administration. This means the Nicaraguan Government will have to wait to see if it will have access to the funds the United States would grant to Nicaragua in the form of aid. In addition, this is compounded by an increasing concern about human rights, the democratization process, and the reduction in the Army—which are apparently three essential issues in the foreign policy Bill Clinton has begun to outline. I think the Nicaraguan Government

could face some obstacles because the executive branch-Sandinist relationship is too close for comfort in the eyes of the world. [end recording]

Government Agrees To Discuss FSLN Economic Plan

PA0911200992 Managua Radio Ya in Spanish 1100 GMT 9 Nov 92

[Text] The government has agreed to discuss the economic proposal presented by the Sandinist National Liberation Front [FSLN]. The Nicaraguan Government is analyzing the country's economic crisis with the opposition FSLN, while former government allies step up pressure against President Violeta Chamorro.

The response by the president to both foreign and domestic pressure has been to strengthen her policy of reconciliation by agreeing to analyze with the FSLN Directorate the economic crisis the country is experiencing. The purpose of this is to seek ways to stop the deterioration of social welfare and to set the foundations of sustained development.

The discussions will focus on an economic proposal presented by the FSLN, which among others, calls for protection for national industry, more credits to small- and medium-sized producers, creation of jobs, and security in land ownership.

FSLN Calls on Government To Settle Disputes

PA1011044092 Managua Radio Sandino in Spanish 1830 GMT 9 Nov 92

[Statement issued by the National Directorate of the Sandinist National Liberation Front, FSLN, in Managua on 9 November; read by FSLN Secretary General Daniel Ortega]

[Text] Reconciliation must be more than a slogan. We reiterate to our members and supporters that they must do more for the people, who are demanding jobs, education, health, and justice.

The Sandinist National Liberation Front [FSLN] flatly rejects the use of the mechanisms to review properties that were created by the Office for Territorial Organization [OOT], the Special Attorney for Property Issues, and the new revision commission for the purpose of engaging in vendettas and political revenge. We strongly oppose the eviction threats made by the Managua mayor and other government officials against settlers. Stripping people of the rights and benefits established by Laws 85, 86, and 88 is inadmissible. The OOT has refused to legalize half the cases it has reviewed, creating anxiety among millions of Nicaraguan and indefinitely prolonging property conflicts, a situation that affects the country's economic reactivation.

For that reason we feel the land problem must be definitively resolved for the benefit of peasants, cooperatives, state enterprise workers, former soldiers, and Nicaraguan Resistance members. The procedures to grant ownership titles for houses, pieces of land, and rural properties must be accelerated and settled without delay. The National Directorate rejects the giving away of public service entities like the Nicaraguan Telecommunications and Postal Services Institute, the Nicaraguan Institute of Energy, and Nicaraguan Aqueducts and Sewage Institute to privileged economic minorities through compensation measures and the like. Such measures run the risk of turning these entities into redoubts of the recalcitrant right that are capable of denying such fundamental services as communication, electricity, and potable water to the weakest and most impoverished sectors of society. We also reject the privatization of banks in the national financial system and the Nicaraguan Insurance and Reinsurance Institute [words indistinct]. These services must remain the responsibility of the state and be strengthened so they can provide support to local farmers on all scales, whether individual farmers or members of a cooperative. The National Directorate voices its support for the just struggle of workers to obtain 25 percent of the shares of industrial, commercial, service, and tourism enterprises that are to be privatized by keeping this percentage in each of these enterprises or by concentrating them into blocs in other enterprises as serves their own interests.

The potential productive (?pact) between small-and medium-scale farmers should be fostered, especially with those new farmers who have benefited from the transfer of properties. To that effect, we are demanding that the government implement an overall plan to provide legal and organizational support, technical assistance, and directed financing through a new development organization that specifically serves this broad sector that generates production and employment.

The FSLN supports the Sandinist People's Army as the sole armed institution in the country and opposes any attempt to dismantle it. The stability of the nation demands the existence of a patriotic and revolutionary army whose revolutionary roots are the best guarantee of its proven respect for the Constitution. We also support the national police, which was created as a respectful instrument to protect society from crime and unrest. The country rejects the attempt to establish a repressive corps. We must end vendettas that deny schools to students who protest and employment to workers. We must end vendettas that reject demands for wage increases and collective agreements. Responsible political forces must support the ruling that the Supreme Court of Justice necessarily must issue on the violation of the statutes of the National Assembly and the Constitution. The profound transformations the revolution brought to Nicaragu must be defended at all costs by Nicaraguans who reject the return to the Somozist past.

Government To Create Rearmed Reconcentration Areas

PA0911151092 Managua Radio Nicaragua Network in Spanish 1100 GMT 9 Nov 92

[Report by Francisco Leon Caceres]

[Text] The Nicaraguan Government, to ensure the demobilization and reintegration of the rearmed groups into society, will create a reconcentration area for all the groups, and thus arrive at agreements to solve their problems. According to Crisantos Castillo, delegate for the Government Ministry in Region No. 1, the reconcentration places will possibly be located in Nueva Segovia Department, specifically in Murra, Jicaro, and Quilali. Acceptance by the armed groups is anticipated as this would bring hostilities in rural areas to an end. Previously, the contras had requested, through the mediation of the CIAV [International Commission of Support and Verification], the installation of security areas to reconcentrate their forces. These agreements may possibly be reached soon.

Foreign Ministry Spokesman on OPEC Loan

PA0811220792 Managua Radio Nicaragua Network in Spanish 1100 GMT 7 Nov 92

[Text] A $5 million loan from the OPEC Fund for International Development to Nicaragua was recently signed in Austria. David Silva, deputy press director of the Foreign Relations Ministry, told Radio Nicaragua the loan, which is earmarked for a potable water and sewage rehabilitation project, will benefit 800,000 residents of Managua and the interior.

[Begin Silva recording] We hereby inform you that on 4 November, a $5 million loan from the OPEC Fund for International Development to the Nicaraguan Government was signed in Austria. The loan, which is earmarked for a potable water and sewage rehabilitation project, will benefit 800,000 residents of Managua and the interior. It was signed by Dr. Xavier Arguello, Nicaraguan ambassador to Austria, and 'Usamah Faqih, OPEC Board of Directors chairman and Saudi deputy minister of finance and national economy.

By granting this loan, the OPEC Fund fulfills the mission assigned by the 13 member countries to promote solidarity and strengthen cooperation among developing countries, Minister Faqih explained after the signing of the loan. The OPEC Fund will continue to support Nicaragua in the future, now that it has a democratic regime.

This is the sixth loan granted to Nicaragua by the OPEC Fund. Previously, the Fund granted Nicaragua a loan to finance a program to import basic grains and other loans to improve the balance of payments. Nicaragua has received additional benefits from OPEC, such as the plan to support to the energy program for Central America—which was carried out by the United Nations—and other plans to finance regional studies to seek alternative sources of energy, conducted by the Latin American Energy Organization. [end recording]

* Widened UNO-Government Rift Discussed

93CA0013A Managua EL NUEVO DIARIO in Spanish 6, 7 Oct 92 pp 1, 4

[Two-part editorial by Danilo Aguirre S.]

[6 Oct pp 1, 4]

[Text] All of the arguing among the parties still left in the old National Opposition Union (UNO) has been reduced in the last few months to accusing the government, and specifically Mrs. Chamorro, of "excluding the rank and file who elected her—that is, them—and straying from the coalition's platform."

The only truth in this is that the new government has moved only some of the parties in the UNO into its executive functions, and has left the rest in the National Assembly. They should be proud to be there, rather than yearning for the executive branch. It is precisely that yearning that underestimates the value of the legislative branch, not the other yearnings that they have invented for themselves.

Let us look at the facts one by one.

The UNO was not a coalition of party forces with a quantitative notion of adding up votes by party, as is usually the case in this type of alliance. It was actually a subliminal manipulation, eminently qualitative in nature, to convey to the voters the idea that, on the one hand, were the Sandinists, and, on the other hand, were those who wanted to do away with the Sandinist government. This is evidenced by the incorporation of eight or nine "parties" with barely a national directorate, which had to be put on the lists of candidates to contribute to the image of a great anti-Sandinist unity that the UNO needed to project in order to win. This is how people ended up in the National Assembly when the voters in the districts they represent do not even know them.

This clever strategy had to be complemented by an essential element to guarantee an electoral victory.

Based on the premise that they needed to win all the votes of those who wanted to put an end to the Sandinist government, and that there were far more of them than there were true active opponents of the Sandinists, it was imperative that the UNO platform be qualified with clear messages aimed at those who were not members of any party in the coalition, to reassure them that everything good that the Sandinist movement had accomplished would be respected, and furthermore, to promise these people whatever they felt was necessary to guarantee the security of their lives and property when the new government took office.

To be fair, it should be pointed out that not a few of the leaders of the UNO made this same calculation, but for truly strategic and patriotic reasons rather than tactical considerations.

Thus it was that during the election campaign no one talked about dissolving the Army or eliminating the police force designed by the Sandinists; or about returning land and homes to well-known Somocists(?); or about persecuting anyone or kicking them out of office for their political beliefs; or about expropriating without compensation the property of everyone who had received benefits from the Sandinists, and deciding later who would be given property and who would not; or about trying to eliminate the autonomy of the university and of the governments on the Atlantic Coast; or about attempting to amend the Constitution by force, without winning the necessary votes in the National Assembly; or about claiming that every protest by the workers is a Sandinist conspiracy and repressing it by fire and sword.

To be sure, the members of the Army were told in advance that they would be sent to school; the police were told they would be given decent wages and treated with dignity. It was also said that only unfair property seizures would be reversed, that the political opinions of public servants would be respected, that the benefits granted by the agrarian reform program or the housing bank to those Nicaraguans who needed land and housing would be validated, and that the repression of workers who fought for their demands would be eliminated forever.

This had to be the propaganda line, because if they said they would fight tooth and nail against what remained of (?)Sandinism, no matter who won, they would not garner enough votes to win politically, given that thousands of Nicaraguans would have come to the conclusion that such a confrontation could only lead to a worse war than the one they were trying to end.

We ask ourselves now: What has this government done in the aforementioned areas that was not promised in its political platform? The only campaign promises it has not fulfilled were those made to the workers, who have been persecuted on the job for their ideological beliefs and hounded into unemployment, reduced to poverty, and stripped of their health and educational benefits.

Alfredo Cesar signed the transition protocol which, though not a law of the Republic, laid down the rules of the game for reconciling the UNO platform with the Sandinist reality that existed in state institutions and in the conquests of the workers.

The transition protocol never legitimized the abuses of Laws 85, 86, and 88, but at the same time it tried to prevent a situation in which, on the pretext of punishing those who abused the law, thousands of Nicaraguans who had been rightfully favored would be deprived of their property, as one sector of the National Assembly has been trying and continues to try to accomplish, reneging on their campaign promises.

Neither the transition protocol nor any other protocol can establish that certain people should remain eternally at their military ranks or posts, but the government has tried to ensure that, for the sake of the professionalization of the Army and police, the changes will not be traumatic, and better yet, that they will be accompanied by legal regulations governing the way they function.

It is not a question of eliminating the Sandinists from the ranks of the Army and the police, because that would amount to destroying those institutions and replacing them with others that would also, inexorably, bring in the opposite political ideology.

It is a matter of ensuring that political opinions do not interfere with the professional performance of duties.

We ask ourselves: Can the Army and the police seriously be blamed for acting like Sandinist forces? Is it not obvious that the civilian authorities of the Interior Ministry have been carrying out the functions that were demanded of them, without unnecessary confrontations?

We could continue along these lines, showing how the government has gone too far in returning even the property that was registered in the name of the state, giving it to known gangsters of the Somoza era, and how it has been legally fencing in those who stole property using Laws 85 and 86 as a shield, but we believe that what we have pointed out is enough to prove that it is not true that the government is in crisis because it strayed from the UNO platform or because it excluded the "rank and file who gave it an electoral victory." If that were true, all of those betrayed and excluded people would have joined in the ridiculous demonstration of deputies who marched on the Supreme Court of Justice or went through the streets waving those banners.

The ones who are really still in the streets are the railroad workers, because the company is threatened with closure; the Nicaraguan Telecommunications and Postal Services (TELCOR) workers, because the union's powers have not been recognized; the workers of the factories or companies that they are trying to return to the (?)Somocists; and the retirees and disabled veterans of the war—in short, the true victims of this government.

I do not want to close this commentary without pointing out a few things that really have been unfair and the cruel acts perpetrated by the administration against its delegation in the National Assembly.

The first was when it made a mockery of the internal elections the UNO had conducted to elect the first board of directors of the National Assembly. Dr. Miriam Arguello's inexperience was apparent when she snubbed the Sandinists in her slate and thus lost their vote, as she herself admitted in her first speech. However, the real betrayal came from somewhere else.

The law to gut the provisions governing the temporary replacement of the president of the Republic was essentially a betrayal of the vice president of the Republic, not by the Sandinists, who had no say in the matter, but by those who thought up and pushed through the law.

It is these things that have widened the gap between some UNO parties and the government, but paradoxically, the perpetrators of these manipulations are now the ones leading the party protests, and what is worse, by performing dictatorial and totalitarian acts, they are sending clear messages to these parties about what future lies ahead for them if they hitch their stars to such leaders.

[7 Oct p 4]

[Text] Continuing our discussion from yesterday, it is necessary now to examine how the National Assembly has acted in response to what was the election platform of the UNO, and the sector that, once in government, decided to change it to a policy of annihilating (?)Sandinism.

Much of the legislation, such as the law eliminating the monopoly on criminal prosecution, the one eliminating the jurisdiction exercised by the police, the new bank superintendency law that paved the way to private banking, the decentralization of foreign trade, the amnesty, and other fundamental laws that were part of the UNO program, was passed *without the opposition of the Sandinist National Liberation Front (FSLN).*

Other vengeful laws that were the result of united action by the government and its delegation in the National Assembly, such as the repeal of the amendments to the Labor Code, the freezing of the Civil Service Law, the decision to pave over the names of heroes and martyrs on buildings and streets, and the narrow-minded interpretation of the term *empleados de confianza* [political appointees], were vehemently opposed by the FSLN.

Other Positions

Yesterday we discussed the decisions by the Assembly that were inspired by the Cesar faction to the detriment of the rest of the UNO delegation, such as thumbing their noses at Dr. Arguello's team in the first election, and gutting the provisions for the temporary succession of the vice president of the Republic.

Today we will analyze the legitimacy of the government's attempt to pit the FSLN and the deputies in its delegation who remained true to the campaign platform against the remainder of the UNO delegation for the purpose of *changing the course of that platform.*

As we can see, the Assembly has moved in different directions, from unanimity in opening the door to the fundamental institutions that the new government said were necessary to carry out its government program, to the scheming and plotting of one UNO sector against another, and including vengeful initiatives by both the government and the UNO delegation.

Why, then, have the others waited until now, when a new and ad hoc majority has formed with respect to certain laws, to rend their garments and complain about the executive trying to subjugate the legislature and betraying them?

The property ownership law that called for expropriating from all those who had received land and houses, with a subsequent decision as to who would get them back, was not part of the UNO platform, and the executive branch had every right to make the necessary efforts to ensure that the law did not pass.

The unconstitutional formula for solving the problems of Laws 85 and 86, through retroactive legislation, was also unacceptable to the government, and it acted accordingly.

The veto of the attempt to do away with the Army through budgetary asphyxiation was also a legitimate defense move by the government to *defend its policy on this matter,* which is what it pledged to do in its campaign platform.

Supreme Court

None of this, when examined by an international observer, could lead to assertions such as those that Mr. Cesar is now making regarding the functioning of the branches of government in Nicaragua, much less the allegation that the Supreme Court is a Sandinist appendage, considering that several Sandinist justices stepped down precisely to make room for the UNO justices, and the number of seats on the court was increased. All of the new members, moreover, were voted in by Cesar and all those who are now denigrating the court.

Finally, we turn to what *does indeed constitute an attempt to turn the Assembly into a political fiefdom for certain personal interests.*

Dr. Miriam Arguello completed her term of office and never tried to manipulate her way into a new term on the board of directors.

Mr. Cesar, on the other hand, illegally postponed the election of the second secretary of the Assembly when Dr. Edmundo Jarquin resigned, to try to force the FSLN to give him their votes for the new first secretary, in anticipation of the departure of Dr. Fernando Zelaya.

Having failed in that attempt, he did the same again with the new election, and the Assembly was in the dire situation of having no first secretary until Mr. Cesar could choose someone he trusted. This did not bother those who now demand a pure and democratic legislature.

Shameful Acts

Mr. Cesar continued his antidemocratic maneuvering, shamelessly eliminating the deputy who aspired to become first secretary, who was not to his liking; in fact, his own candidate, Dr. Hernaldo Zuniga, did not want to continue running after the unprecedented atrocity committed against his rival.

As if that were not enough, when the third secretary threatened to vote to reverse the expulsion, Cesar had his alternate called in and took him out of circulation.

The final act took place on 2 September, and it is well known to all. A session held without a secretary had no one to certify that no quorum was present, and since the quorum was not certified, 46 deputies became a quorum, and even became the 47 votes that the bylaws say are necessary to elect members of the board of directors.

Those who support such obvious illegalities—more than illegalities, they are clear manifestations of a dictatorship forming in the leadership of the Assembly—should not be wasting their time on political games, calling these things power struggles or attempts by one branch of government to subjugate another; they should be worried about their own future independence and that of a branch of government that truly needs to become a solid pillar of the democracy we want to build.

There is still time, if we think of Nicaragua and, above all, of our people, who are going through the worst economic trauma ever.

Panama

Endara on Constituent Assembly, Referendum

PA0911161592 Panama City LA PRENSA in Spanish 9 Nov 92 p 1A

[By Irene Hernandez G.]

[Text] President Guillermo Endara has said his government will only call for a constituent assembly if the Panamanian people vote yes in the 15 November referendum, but he warned there will not be a constituent assembly "through a coup attempt, because I will not allow that to happen."

Endara made the aforementioned statements in the town of Volcan, Chiriqui Province, where he placed the cornerstone of a monument honoring 33 Arnulfist combatants who fell during the 1968 guerrilla war. Endara paid tribute to the members of the Arnulfist Party [PA] who fought during the 1968 events, following the military coup against three-time President Arnulfo Arias Madrid.

The head of state said that on 15 November, Panama will hold a constitutional act in which the people, "if they want," can modify their constitution or if they do not want, the constitution "will not be modified."

According to Endara, there are people who want a constituent assembly and if they really do, they should vote yes in the 15 November referendum, because the constitutional reforms include a constituent assembly. He said the Panamanians who do not want a constituent assembly should vote no in the referendum, because by rejecting the constitutional reforms, it will be impossible to have one.

"A constituent assembly will not be called because President Endara, as an Arnulfist and slave to the law which I will not break, will not call for a constituent assembly, unless the people demand one through a yes vote in the referendum," the president explained.

Later, referring to the ceremony honoring the 1968 combatants, the president recalled that they fought against militarism and the predominance of the military so Panama would not have an army.

First Lady Ana Mae Diaz de Endara, ministers of state, members of the PA, and PA President Mireya Moscoso de Gruber joined President Endara at the ceremony to pay tribute to the Arnulfist guerrillas.

Approximately 40 former combatants received medals and merit certificates.

Commentary Links Constitutional Reforms, Bases

PA0711231592 Panama City Radio KW Continente in Spanish 1200 GMT 6 Nov 92

[Station commentary: "The Military Bases"]

[Text] The U.S. presidential transition brings the topic of the permanence of the U.S. military bases in our country back to the fore in our national debates. A labor organization of Panamanians who work on the military bases demands the government discuss with the northern country the need for the military installations to remain in our territory.

It is unrealistic for a country that wants to eliminate the Army from its Constitution to ask the country that carried out the 20 December 1989 invasion not to reduce its military forces as part of its budget stabilization program.

The United States decided to eliminate several of its bases in foreign countries because they are very costly to the U.S. Treasury. The expense is no longer justifiable as the Soviet Union has crumbled and the arms race is no longer necessary. The decision is not based on emotions or politics. It is a firm, thoroughly studied, and planned decision geared to that country's urgent need to revitalize its economy. The decision even includes changing a large part of its war industry into civilian oriented activities. We must also bear in mind that service in the U.S. Army is no longer mandatory and enlistment is entirely voluntary. Army personnel have to be paid competitive wages and this, of course, increases budget expenses.

It is important that our country see the senselessness of presenting a constitutional reform to ban a regular Army as a national attainment and, at the same time, request that the soldiers and the installations of the biggest military power in the world remain in our territory.

The United States will not change its decision because we so request it. Reality says we must find ways to turn those military installations into productive civilian facilities.

New U.S. Government Could Prove Adverse To Endara

PA0811184292 Panama City EL PANAMA AMERICA in Spanish 8 Nov 92 p 6A

[From the "Hidden Truths" column by Tomas Cabal]

[Text] Contrary to what President Guillermo Endara and some of his advisers have stated, his administration will be affected by the lack of contact with the new team that will be arriving in Washington as of January 1993. On numerous occasions we have criticized the lack of diplomatic initiatives as well as the government's neglect in establishing contacts with the Democratic Party that is once again returning to the White House after a 12 year absence. We have stressed over and over the importance of maintaining a first rate team in Washington, capable of advising our ambassador and the government with respect to the fluctuations in U.S. politics.

President Endara and his advisers favored Bush's reelection for obvious reasons. Nevertheless, that should not have been an impediment to closely following the presidential campaign and cultivating friends and contacts with the new administration that is about to take over the White House. Such an effort should not have been too complicated, since many Panamanians already have close relationships as well as friendly ties with outstanding and important personalities within the Democratic Party.

With the change in administration and the departure of Bush's team of advisers, the Panamanian government will be isolated from the most important centers of power. For a country that maintains a very complex bilateral relationship [with Washington], this is a luxury that we simply cannot allow. All Latin America now begins to wonder what President Clinton's policies towards the region will be.

All of this takes place within the framework of an election that will force the new U.S. president-elect to focus his attention and economic resources on internal issues. The serious structural problems that plague the "Northern Colossus" will force Governor Clinton to concentrate his attention and efforts on solving the difficult problems that threaten his people.

We do not anticipate that President-elect Clinton will announce new policies for the region, other than merely review the Free Trade Pact signed with Mexico and Canada. Clinton has said he supports the pact "with reservations," which will no doubt cause President [Carlos] Salinas de Gortari some sleepless nights.

Bush's departure will also represent the departure of Ambassador Deane Hinton. Hinton's replacement will be a severe blow to the Endara Administration since the U.S. diplomat was the Panamanian Government's best spokesman in Washington. The Democrats have no obligations toward the Endara government since they were not the architects behind Operation Just Cause.

Hinton's departure will also complicate President Endara's situation with respect to the case against drug traffickers Falcon and Magluta who are scheduled to stand trial in Miami during the month of April [1993]. With Hinton gone, there will be no impediment for the district attorneys to act, if they wish to do it.

Up until now, as sources in Washington have confirmed, Hinton has been President Endara's as well as Endara's partners closest ally against the pressures exerted by the Justice Department. Ever since the first disclosure of this case was made public, Hinton has been maintaining that any judicial summons addressed to Endara or Hernan Delgado could contribute towards destabilizing the government.

The most outstanding feature of the Endara Administration has been its lack of coherent diplomatic policies, as well as its absence of qualified ambassadors and consular officials. These shortcomings will be costly when the time comes to outline policies in response to our partners in the management of the Canal. Panama and the United States are nearing the crucial moment when the Canal will be turned over to this country's national patrimony.

The closing of the military bases located along the Canal is not blessed with the approval of the majority of Panamanians. A new administration in Washington that is not tied down by past policies could open the door to new and better relations with the United States. Unfortunately, the Guillermo Endara government, characterized by corruption, influence peddling, and nepotism will not know how to take advantage of the opportunity. This is why we should vote "NO" on 15 November and start counting the days until the 1994 elections.

Ministry Files Extradition Request for Bernal

PA0711012092 Panama City EL PANAMA AMERICA in Spanish 6 Nov 92 p 8c

[By Orlando Mendieta C.]

[Text] The Panamanian Foreign Ministry on 5 November filed a formal extradition request for Jorge Eliecer Bernal, former captain of the Panama Defense Forces, who was charged with murdering laborer Sixto "Yito" Barrantes and being involved in the 4 and 5 December 1990 police rebellion.

Reports obtained by EL PANAMA AMERICA reveal that the Panamanian Government, through its embassy in Costa Rica, filed the corresponding documents before the Costa Rican Foreign Ministry, which will in turn present these documents before that country's Attorney General's Office which will proceed to order Bernal's arrest.

Bernal has been in Costa Rica since July after the Guatemalan Government suspended his political asylum for having made public statements against the government of President Guillermo Endara in violation of international diplomatic asylum agreements.

Unofficial reports state that Bernal, who served in Panama as instructor at the airborne school, chief of cavalry, G-2 intelligence officer, and chief of the Dobermen Riot Company, is curently working at a San Jose jewelry store.

Luis Fishman, Costa Rican minister of government and security, said the Panamanian soldier is filing for residency in Costa Rica, because Panama had not, as of 5 November, requested his extradition.

Former Capt. Bernal is accused of having murdered Yito Barrantes in 1985 when the Dobermen repressed a labor demonstration in Santa Ana neighborhood.

The soldier is also linked to a police rebellion on 4 and 5 December 1990 against the government of Guillermo Endara; the rebellion was headed by retired Colonel Eduardo Herrera, who is currently housed at the El Renacer Prison.

Deputy Planning, Economic Minister Resigns

PA0911160992 Panama City LA PRENSA in Spanish 9 Nov 92 p 1

[Article by Irene Hernandez G.]

[Text] Bolivar Pariente, deputy planning and economic policy minister, has said he will not return to the ministry and will now attend to his personal affairs. He has suggested three persons to replace him; however, the Executive has rejected these.

Pariente, who is currently enjoying a two month vacation, said that when he took office he told President Guillermo Endara it would only be temporary.

President Endara confirmed that statement in an interview in which he said that personally, he never wanted Pariente to leave the post, because he proved to be an efficient official. The president admitted that Pariente told him he would only assume the post for a short time, as he had to attend to his own personal business.

Pariente said that in the next few days he will send the president the name of a fourth person he considers could occupy the deputy minister post. If this name is not accepted, "there will not be any further recommendations," Pariente noted.

A high government source told LA PRENSA that there will be a Cabinet shake-up shortly, as Endara's objective, in the last two years of his administration, is to reduce the rate of poverty through incentive programs for the private sector that in turn would generate jobs.

Legislator Says Cruz Investigation Should Continue

PA0911191792 Panama City EL SIGLO in Spanish 9 Nov 92 p 30

[By Yali Enrique Pitti]

[Text] Solicitor General Donatilo Ballesteros should not avoid his responsibility of investigating the alleged acts of corruption at the Attorney General's Office, especially after the 6 November attack against the Attorney General's Office, which endangered the lives of many people.

Legislator Leo Gonzalez, chairman of Legislative Assembly Drug Affairs Commission, made the aforementioned statements. Gonzalez, together with Customs Director Rodrigo Arosemena, the Directorate for the Recovery of State Property, Magistrate Eusebio Marchosky, and lawyer Alvin Weeden, on 26 October filed suit against Attorney General Rogelio Cruz for the alleged crime of "extortion" [concusion] by releasing more than $30 million that were deposited in local banks.

"I have heard many good things about Solicitor General Donatilo Ballesteros and I think he is currently facing a historical juncture, a juncture that demands that he dismiss Rogelio Cruz from his post so that the investigation on the charges of corruption at the Attorney General's Office can be successful," Gonzalez stated.

The chairman of the Legislative Assembly Drug Affairs Commission said that if the solicitor general dismisses Rogelio Cruz, as more than 75 percent of the Panamanian people want according to recent polls, "he (Donatilo Ballesteros) will make history in our country," Gonzalez expressed.

The Nationalist Liberal Republican Movement legislator insisted that if the solicitor general investigates and sentences Rogelio Cruz and some of his subordinates for alleged acts of corruption, "he will go down in history not as a mere solicitor general but as an iron-fisted solicitor general."

When questioned on the opinion of Rogelio Cruz, who continues to say that the suit filed against him has no legal basis, Leo Gonzalez said that the statements by the attorney general do not surprise him, because he is used to interpreting the law in his own way.

"Cruz continues to believe that he knows more law in this country than anyone else, but our attorneys and other attorneys who have analyzed the suit agree that there are enough merits to investigate the attorney general and dismiss him from his post," Leo Gonzalez warned.

The chairman of the Legislative Assembly Drug Affairs Commission stated that with the evidence that he has presented against Attorney General Rogelio Cruz, Solicitor General Donatilo Ballesteros should already have made some progress in the investigation to clarify the alleged acts of corruption at the Attorney General's Office.

In addition to the evidence and documents on the release of millions in illegal accounts and the placing of drug traffickers under house arrest for the alleged collection of "bribes," Leo Gonzalez reiterated that he will also offer

greater details on the death of a U.S. mafioso, who had been released after paying a bribe.

Gonzalez remarked that he still has many "aces" under his sleeve in his struggle to bring decency to the Attorney General's Office. He added that the collection of "bribes" to release the U.S. drug trafficker is an important piece of evidence in the investigation on the events that are taking place at the Attorney General's Office.

Despite the insistence of some reporters to learn more details about the case of the U.S. drug trafficker, who allegedly paid $100,000 for his release, Leo Gonzalez did not provide further information, arguing that it is not the right time to bring this case into the open.

Cuban Refugees Arrive in Cristobal, Receive Asylum

PA0911193692 Panama City Circuito RPC Television in Spanish 1730 GMT 7 Nov 92

[Report by Alexandra Ciniglio]

[Excerpts] Forty Cubans who were navigating in the Caribbean sea bound for Miami were transferred to Panama after the American Embassy denied them political asylum. [sentence as heard]

The Cubans were spotted by a Peruvian airplane, which alerted a vessel that transferred the Cubans to Cristobal, Colon Province. Immigration authorities began legal procedures in the early hours of 7 November and now the Cubans are in Panama City.

[Begin recording] [Immigration Director Antonio Dominguez] Apparently they were on board a lobster boat and the captain planned the escape. They set out to fish and anchored at a point where all the relatives hopped on board. The crew were then tied up and taken hostage. The boat began to sink and an airplane spotted them and requested that the Peruvian-flagged vessel "Santa Marta" pick the Cubans up. It appears the [airplane] pilot said the American Embassy would grant them asylum in the United States. The ship then brought the Cubans to Panama and now it appears that the United States is not going to grant them asylum. We are going to receive them in Panama.

[Ciniglio] The Cuban refugees comprise 16 males between the ages of 17-55; nine women between 20-52; and 14 children, including an 11-month-old baby. Adolfo Garcia is the ship's captain.

[Garcia] I was aboard the ship. My boys prepared the assault and took me hostage. I came with them, I could not leave them.

[Ciniglio] How was the trip?

[Garcia] Not good at all, the weather was very bad.

[Ciniglio] How did you get out of Cuba?

[Garcia] We hid... [pauses] They hid two or three days in the bush, in the swamps. I was fishing, I passed the area and anchored and they came on board at night. We sailed at 2000 on 1 November.

[Ciniglio] Despite the difficult trip, these refugees seem to have achieved their life's dream—to leave Cuba. How is the situation in Cuba?

[Unidentified speaker] Appalling. There is nothing, there is no freedom, we have nothing, there is no food, and there is much misery. [passage omitted] [end recording]

These people will now be placed in a boarding house until the registration process is over. Immigration authorities have called on Cubans who reside in Panama to help these refugees who have left behind the little they had, and, in exchange for their freedom, they now have nothing.

Argentina

Labor Confederation Strike 'Partially Observed'

PY0911183692 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 9 Nov 92

[Live relay by Silvina Martinez Porta from the Olivos Residence]

[Text] Labor and Social Security Minister Rodolfo Diaz has stated that the strike called for today by the General Confederation of Labor, CGT, is being partially observed, and President Menem is discharging his duties normally.

On referring to the CGT strike scheduled for today, Diaz said:

[Begin Diaz recording] The government has clearly established its position since the time the strike was announced. The government respects the right to strike and assures that essential services will be provided today.

Public buses have observed an emergency schedule all day, much more than was expected. As you know, only one railway line is functioning, and all subway lines are operating as scheduled. Transportation between Buenos Aires and suburbs continues normally, despite the circumstances.

Transport services are normal in most provinces, except in Salta Province where the strike is being observed almost completely, and in the city of Rosario, where just 40 percent of the buses are operating.

As for the remaining essential services, medical care was fully assured, with hospitals and other health units operating normally. Nearly 100 percent of the employees of some major hospitals are working. All high schools are open, and all university staffs reported to work. The supplies of energy, potable water, fuel, and so forth are completely normal.

According to reports received, approximately 30 to 35 percent of the people in major industrial enterprises are observing the strike, and a smaller percentage are observing it in small enterprises. The strikes in commerce and public services are quite minimal, and the public administration activities are normal. [end recording]

* CGT's Strike Plans; Menem's, Lescano's Views

* Work Stoppage

93SM0031A Buenos Aires LA PRENSA in Spanish 8 Oct 92 p 7

[Text] A sector of the Argentine trade union movement led by Saul Ubaldini and Luis Barrionuevo will meet today, 8 October, in a "parallel" Confederal Central Committee to decide on a 24-hour general strike, confirming the virtual schism of the CGT [General Confederation of Labor], whose leadership continues a dialogue with the government.

The decision followed a meeting of dissident Ubaldinist and Barrionuevist organizations, in which the meeting was approved, and which had been postponed by the CGT's national leadership in expectation of the announcements made today by Minister of the Economy Domingo Cavallo.

"If the Confederal Central Committee decides to do so tomorrow (today), we are going to take the measures necessary to defend the workers," Barrionuevo said, following the meeting held at the headquarters of the chemical workers' union.

The restaurant workers' leader said that "the labor movement and the workers do not deserve this punishment that is being inflicted by low salaries and the lies that are being told to retirees."

"As far as we are concerned, the executive branch has committed a serious crime by lying to retirees, so that, if the Confederal Central Committee so decides, we are going to take the measures that are necessary because, above all, we are the workers' defenders," Barrionuevo said.

The union leader said that "I am not interested in the opinion of the president (Carlos Menem), because what concerns me is the opinion of the workers, who we represent."

Barrionuevo responded thus to declarations made by the chief of state, who said in Italy that he was not going to be "very upset" if that union sector goes on strike.

Yesterday, 7 October, the formation of the dissident confederal central committee was confirmed that "just as foreseen will take place today to determine a plan of action" against the government's economic policy.

The Barrionuevist and Ubaldinist organizations withdrew from the meeting of the CGT directive council in disagreement over the postponement of the confederal central committee meeting until 23 October.

According to estimates by the dissidents, the "parallel" confederal central committee meeting will be attended by "more than 80 organizations, and if they do not allow us to meet in the CGT building, we will meet on the sidewalk."

* Menem's Criticism

93SM0031B Buenos Aires LA PRENSA in Spanish 8 Oct 92 p 4

[Text] President Carlos Menem declared yesterday, 7 October, in Rome that "nobody is going to be greatly upset if the General Confederation of Labor (CGT) calls a strike" and said that the hardening of the labor union

position is due to "union" motives that he ascribed to union leaders Saul Ubaldini and Luis Barrionuevo.

During a press conference with Argentine journalists, after predicting that there will be "no concessions" in the guidelines established for the economy, the chief of state affirmed that the government would not fail "to answer several absurd and heavy-handed accusations by the Radicals", and that Mayor Carlos Grosso is being made the victim of a "powerful offensive" fostered by Senator-elect Fernando De La Rua.

On his third day of activities in the Italian capital, doctor Menem spoke with Argentine journalists, met with Christian Democrat Arnaldo Forlani and Socialist Bettino Craxi, spoke at the Italo-Latin American Institute and attended a luncheon given in his honor by CONFINDUSTRIA [Italian Confederation of Industries], which includes the most important Italian industrialists.

During his discussion with the journalists, the Argentine chief executive described his official visit to Italy as "successful" and estimated the volume of soft, long term credits obtained by Argentina at $283 million.

Menem said that Italy had given commitments for $150 million in economic assistance for 1994, in addition to other, lesser credits allocated to Yacyreta, to an agricultural-livestock project in Cordoba province and for imports of capital goods for mixed companies.

"Our country has never been in such a favorable position in Europe as now," said the leader of the executive branch, and added that, in the field of investments, " a panorama of enormous possibilities is opening, certain and not merely rhetorical." Among these possibilities, he mentioned the intention of the German automobile company, Volkswagen, to increase its production in Argentina, the possibility that the Japanese company, Mazda, may do the same, and that beer brewing companies may be established in the country.

CGT, UCR and Grosso

Touching upon specifically political themes of Argentina, the president denied that the economic program may have serious consequences, and he criticized the Radical Civic Union (UCR) by pointing out that "the adjustment that Argentina experienced was that which took place before 1989, because a monthly inflation rate of more than 200 percent, or 26,000 percent annually, is a savage and bloody adjustment."

He went on to say that his policy is not creating "social unrest" and expressed his belief that the hardening of positions on the labor union front is the result of "sectoral motives that have no basis in reality," mentioning specifically union leaders Luis Barrionuevo and Saul Ubaldini.

Asked his opinion about the possibility that the labor confederation might carry out a trade union action, he said that "nobody will be greatly upset" if a strike occurs, recalling that the national constitution recognizes the right to strike.

In another portion of the conversation, the chief executive said that administrator Carlos Grosso is the object of attack by the Radicals, "especially by one who is now a national deputy and who, after 10 December, will be a national senator," a direct allusion to Fernando De La Rua. He later reflected that "there is a very powerful offensive against the administrator and, of course, as it could not be otherwise, against the nation's president, but these are matters that do not worry me at all."

Nevertheless, he declared that the government "will not fail to answer heavy-handed and absurd accusations" by the Radicals, whose conduct in Congress he also criticized for refusing to form a quorum to study projects sent to the Congress by the PEN [National Executive Branch].

When asked about the sharp decline on the Buenos Aires stock exchange, the chief executive gave it little importance, pointing out that it is a phenomenon "that is occurring all over the world." He also predicted a favorable reaction to the package of complementary measures of the Convertibility Plan, prepared by Minister Domingo Cavallo.

Lescano's Comments

93SM0031C Buenos Aires LA PRENSA in Spanish 15 Oct 92 p 7

[Text] The secretary general of the CGT [General Confederation of Labor], Oscar Lescano, declared that he "will take no organizational action" to avoid the strike decided upon by dissident organizations and said that the statements by President Carlos Menem "are pushing the worker confederation toward struggle and confrontation."

Lescano attacked the statement by Menem, who confirmed the continuation in force of salary bargaining based on productivity, calling it "contradictory" and claiming that the government "provided for a free market, but it restrains the workers' wage policy" with decree 1.334.

"If social policy is absent and continues to be ignored, and inflation remains in place, even in the convertibility plan, this only pushes the labor movement toward confrontation," the union leader warned.

Lescano did not rule out that the 23 October CGT meeting "might declare a 24-hour strike or action plan" and said that he "felt cheated" by the government, because "four cabinet ministers signed an agreement with the CGT and they did not honor it."

The head of the CGT said that the government had called a meeting for today, 15 October, of the Council on Production, Investment and Growth at the Ministry of

Economy, while yesterday the commissions of the Salary Council met at the Ministry of Labor.

Referring to the strike called by the Ubaldinist and Barrionuevist organizations, Lescano said that "as an organization, the CGT would do nothing" to forestall the strike called by that sector for 23 October, the same day as the confederal meeting.

The union leader admitted that "there are some comrades who, on a personal basis, are making efforts, but there are others who are asking for sanctions against those leaders who did not adhere to the majority decision and called the strike."

Confederal

In remarks made following an informal meeting of the directive council, Lescano said that the labor confederation had approved the invitation of regional delegations to the plenary meeting next Monday, 19 October, and the confederal meeting itself.

He also said that it had been decided to call a meeting of the directive council for tomorrow, 16 October, at 1000 hours, including the dissident organizations, and that the distribution of a petition had been discussed for 17 October, when the Peronists celebrate Loyalty Day.

Lescano met for more than three hours with union leaders Anibal Martinez (UOM [Metalworkers Union]), Gerardo Martinez (UOCRA [Construction Workers Union of the Argentine Republic]), Juan Jose Zanola (bank workers), Lesio Romero (butchers), Andres Rodriguez (UPCN [National Civil Service Personnel Union]), Carlos West Ocampo (sanitation workers) and Pedro Goyeneche (textile workers), among others.

The union leader described as "non-organizational" the strike call by the Ubaldinist and Barrionuevist organizations which, it transpired, met with sectional organizations and groups in opposition to the leaderships of the four railway unions, to seek their support for the strike on 23 October.

Sources in that sector also made known that they would meet with leaders of the Motor Transport Workers Union, although that meeting was not officially confirmed by the bus drivers' organization.

Government Officials Raises Create 'Controversy'

PY0711002992 Buenos Aires BUENOS AIRES HERALD in English 6 Nov 92 pp 1, 5

[Excerpts] (DYN-NA)—Economy Minister Domingo Cavallo was again the centre of controversy yesterday in government circles and among the public at large when he defended a 200 percent salary increase awarded to government officials and also claimed that he needs 10,000 pesos a month to live on. The minister added petrol to the flames by stating that government officials require a minimum salary of 6,500 pesos to be able to survive in Buenos Aires.

The controversy arose when Cavallo announced yesterday that increases had been awarded to "the directors of banks, state companies, the DGI [General Directorate of Taxation] tax bureau, and customs" among others. The fact that the pay award didn't apply to "secretaries, assistant secretaries, ministers or the President" did little to lessen the controversy.

The timing of these announcements couldn't have come at a worse time with senior citizens clamouring for a minimum 450-peso pension and the first national strike of President Carlos Menem's government, over thwarted pay awards, scheduled for Monday [9 November].

The hikes were even criticized from within the government. Health Minister Julio Cesar Araoz said no director or official of his ministry, or in any other organization that came under his sphere of influence, such as the pensioner's welfare organization PAMI [Comprehensive Medical Assistance Plan], will receive any increase whatsoever. At the end of the Cabinet meeting in Olivos yesterday he stated that "they will not receive any increase until those who earn least are better off."

CGT [General Confederation of Labor] Secretary-General Oscar Lescano described the hikes as "incoherent" considering "there are people dying of hunger and that 200-peso wages are only lasting till the 20th of the month." He added that "the government is nervous." [passage omitted]

Those awarded the pay increases he said on leaving the lunch "cannot be expected to go to work in overalls or attend the meetings required of their positions in tatty suits, the pay increases not being so but rather a levelling off according to their level of responsibility" going on to underline that most of them would be earning at least double this new figure if they were to move to the private sector.

He also used his own case to try and bolster his arguments stating that his salary as minister (1,800 pesos) is not enough for him to live on and he has to use his salary from the Mediterraneo group (of which he is a director) to supplement his income.

"Where I live, sending my children to St. Andrew's and with all the parties that I have to hold at home, I can't live with less than 10,000 pesos a month," Cavallo said. [passage omitted]

Combined Naval Exercises Begin in Mar del Plata

PY0911140792 Buenos Aires LA PRENSA in Spanish 8 Nov 92 p 5

[Text] The Argentine and Brazilian Navies today will begin in Mar del Plata the Fraternal XII combined military operation. The exercises, to take place off the Atlantic coast, will end on 16 November.

This operation has been carried out since 1978 and is part of the Navy's cooperation and professional

exchange programs intended to produce efficient performance in the defense of the South Atlantic.

Ship-of-the-Line Captain Luis Alberto Garcia Bourimborde will head the Argentine Navy's movements in which the destroyer Heroina, corvettes Rosales and Guerrico, and submarine Santa Cruz will participate.

An air-naval group made up of Super Etendard and Macchi attack airplanes, Trackers antisubmarines, Sea King helicopters, and B-200 reconnaissance airplanes also will participate in the exercises.

Bolivia

Minister Denies Drug Dealers Bribing Police

PY1011022592 Madrid EFE in Spanish 0024 GMT 10 Nov 92

[Text] La Paz, 9 Nov (EFE)—Bolivian Interior Minister Carlos Saavedra today admitted that Colombian narcotrafficking mafia groups are active in Bolivia but noted that his Ministry has the situation "under control."

In a news conference, Saavedra denied reports that Colombian drug traffickers are freely operating in Bolivia by bribing Bolivian police personnel. The U.S. Embassy in La Paz made this charge in a communique released a few days ago.

Saavedra said: "If in so doing the U.S. Administration is seeking to make a favorable impression on the new government of Clinton (the U.S. president-elect), we are not going to allow this to happen."

However, Saavedra admitted the presence in Bolivia of Colombian narcotrafficking mafia groups but made it clear that "the situation is under control."

The interior minister added that several Colombians had been arrested in recent days during antidrug operations conducted in the central valley and in the northern Amazon region of Bolivia.

Saavedra added: "I want to repeat here again that, taking into account all the efforts made by the Bolivian Government to fight the drug trade, we are not going to allow any diplomatic mission to try to favorably impress the incoming government soon to be installed in that country."

The interior minister said that if the U.S. Embassy had any information on the bribery of Bolivian officials, it should report them to the Interior Ministry, with which it has been working in a coordinated fashion.

Saavedra also announced the upcoming release of a report evaluating the performance of the Bolivian Police following the corruption and inefficiency charges raised in Congress against the institution.

Chamber Denies Existence of 'Parallel' Operations

PY0911212492 La Paz LA RAZON in Spanish 29 Oct 92 p A2

[Text] The Chamber of Deputies Committee on Drug Trafficking Control yesterday denied a report disseminated by a local news agency stating that this legislative committee has planned to establish a parallel organization to the Special Antinarcotics Force (FELCN) to extort alleged drug traffickers.

During a news conference, Committee Chairman Gonzalo Mercado, along with Willy Cespedes and German Torrico, explained that the committee does not carry out police investigative activites because this is not within its area of competence. He asserted that the committee's work is limited to the control of drug-related activites. He added that in view of this he denies the news agency report, which he described as an infamy.

He denied that on 8 August 1991 he had signed an order for an investigation, as he had not assumed his duties as committee chairman until the end of August 1991. Regarding the summons served to citizens on 16 and 23 October for purposes of the investigation, he denied that any committee member had signed any document.

Nevertheless, regarding the activities carried out by one of his advisors, Carlos Azenas Blacutt, who has been charged with promoting investigations, the Drug Trafficking Control Committee chairman decided to suspend him from his advisory duties until he had explained his participation in these investigations.

Regarding the arrest of Teofilo Pacheco on charges of drug trafficking, the Drug Trafficking Control Committee reaffirmed its statements before the judicial police [policia judicial], as only one citizen was held as a suspect while two others, who were clearly involved, were released.

Mercado stated that Interior Minister Carlos Saavedra and Justice Under Secretary Marcelo Salinas were informed about the incident, and after an assessment of the legal situation they agreed with the conclusions issued by the Chamber of Deputies committee.

Deputy Mercado reasserted that despite reactions that seek to erroneously slander people, the committee will continue controlling drug trafficking activities and will report any violations of the law. After denying any connection with Teofilo Pacheco, Mercado said: "We will not be harassed or stopped by anyone in continuing with our work."

Moreover, the legislator reported that he held a conversation with Carlos Valverde, the Interior Ministry Intelligence Department chief, and with FELCN Commander Edwin Peredo. They denied they had handed, either directly or indirectly, any confidential papers to the Fides News Agency, which published the controversial report.

Finally, Mercado said that these charges were made in view of the committee's investigations into "tremendous irregularities" in judicial police procedures regarding some drug traffickers.

Regarding the alleged establishment of an antidrug intelligence organization especially appointed by the Chamber of Deputies, Social Defense Under Secretary Gonzalo Torrico yesterday asserted that based on Law No. 1008, the Interior Ministry, through the FELCN, is the only government organization entrusted with antidrug activities.

Torrico added: "There cannot be any parallel organization in charge of investigating antidrug activities, because this would be categorically illegal."

Torrico stated: "In compliance with Law No. 1008 on controlled substances, the only organization allowed to carry out investigations and interdiction activitives is the Interior Ministry, through the FELCN, which is subordinate to the Social Defense Undersecretariat."

Regarding the active participation of legislators in antidrug intelligence activities, Torrico said that based on the duties of the legislative branch, the Drug Trafficking Control Committee must control and assess the activities carried out by the executive branch.

In view of the urgency of holding a discussion on the alleged establishment of this parallel organization, Social Defense Under Secretary Torrico said that he will meet with the members of the Drug Trafficking Control Commitee of the Senate and the Chamber of Deputies to clarify these reports.

Brazil

Krause: With No Reform, Governing 'Difficult'

PY0911134392 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 9 Nov 92

[Text] Finance Minister Gustavo Krause said in Pernambuco that if the fiscal adjustment plan is not approved by Congress it will be very difficult to govern the country, given that the current difficulties will become worse.

According to Krause, the fiscal reform represents a commitment to society, which is capable of making progress in the institutional reforms.

[Begin Krause recording, in progress] ...we are capable not only of building a new government, but of much more than that. We can make progress in the process of institutional reforms. It is necessary to meet the people's expectations. We—the government, congress, [word indistinct]—are capable of going beyond what we did when we became judges in a case of great social expectation. [end recording]

The minister added that in the next few days he will concentrate on what he called the task of explaining and convincing the people on the fiscal reform. He called hasty those criticisms against the fiscal reform.

Minister Says New Tax Not To Affect Pensioners

PY0711010592 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 6 Nov 92

[Report by Alessandra Anselmo from the Social Security Ministry in Brasilia]

[Text] Social Security Minister Antonio Britto said today that the fiscal adjustment project guarantees the payment of the 147 percent increase for pensioners next year.

Retirees, pensioners, and wage earners will not lose with the temporary tax on financial movements proposed by the government. This was reported today by Minister Britto, who added that all pensions paid by the social security system will be increased by 0.3 percent to compensate for what will be deducted through the new tax when collecting the pensions in the banks. Social security contributions from salaries also will be reduced by 0.25 percent for wage earners. According to Minister Britto, the approval of the fiscal adjustment bill will allow the social security system to pay the 147 percent increase to pensioners next year.

[Begin recording] The measures adopted by the government guarantee funds to pay the 147 percent pension increase next year. It will not be an easy year for us, but 1993 will be better with the reforms proposed by the government. [end recording]

Minister Britto explained that the fiscal adjustment will reorganize the social security system's budget by requiring that all the money it collects only be used to pay pensions.

Legislators Oppose Fiscal Reform Proposal

PY0711114292 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Nov 92 Economy Section p 3

[Article by Ribamar Oliveira]

[Text] Brasilia—Yesterday legislators reacted against the fiscal reform proposed by the government that creates four new taxes. Even the leaders of the political parties that form part of Itamar Franco's government were against the proposal. Deputy Benito Gama (PFL-BA) [Liberal Front Party for Bahia], coordinator of the Chamber of Deputies special commission in charge of studying the fiscal reform, admits: "The atmosphere surrounding discussions on this subject is very heavy because Congress is against increasing taxes."

The PDS [Social Democratic Party] was the first party to officially announce its opposition to increasing taxes. In a communique disclosed to the media, the PDS asserts that "an economic policy that increases the percentages of existing taxes or that creates new taxes will only aggravate the crisis affecting production." The PDS

believes that the solution to the Federal Government's accounting problems lies in "cutting public expenditures" and by "improving the tax collection apparatus."

The PSDB [Brazilian Social Democratic Party] leader in the Chamber of Deputies, Deputy Jose Serra (Sao Paulo), shares this viewpoint. Serra is against a broad fiscal reform this year and has asserted during discussions with other leaderships that the Federal Government's economic problem must be solved by fighting tax evasion, by simplifying the existing taxes, and by consolidating the tax law.

Deputy Luiz Roberto Ponte (PMDB-RS) [Brazilian Democratic Movement Party for Rio Grande do Sul], who is the author of a tax reform proposal, also does not believe a broad adjustment will be approved this year. He believes that it will only be approved when the constitution is reviewed in 1993. Ponte, who is one of the most respected individuals in the PMDB regarding economic subjects, proposes an increase of the oil import tax, the suspension of the Federal Government's agreements with municipalities, to reduce funds for the construction of CIACS [Integrated Center for Assistance to Children], collect the debt the public and private segments have with the Social Security system and the Severance Pay Fund (FGTS), and a negotiated amnesty of the private segment's debt with the government, pardoning the payment of a fine to those who duly honor their debt.

Benito Gama himself does not believe a broad fiscal reform will be approved this year. After talking with various segments of society, including state finance secretaries, Benito Gama only thinks a tax similar to the Tax on Financial Transactions (ITF) might be approved, even if it replaces the Finsocial [Social Investment Fund], the tax on companies' profit, the IOF [Financial Operations Tax], and the PIS/Pasep [Social Integration Program/Government Employees Welfare Fund].

Moreover, Gama believes that there is a political space that will allow for the reduction of the income tax paid by private individuals and companies and for the "reviewing" of fiscal incentives. Gama believes that with these measures, revenues could increase by $7 billion.

During a lecture yesterday at the Fernand Braudel World Economy Institute, in Sao Paulo, former Economic Policy Secretary Roberto Macedo said that he is in favor of the ITF to replace social contributions, even those paid by employers, PIS/Pasep, with a tax on companies' profit. In Macedo's opinion, the ITF affects the black market economy through the financial or banking system. "After all, people use checks to buy things." Macedo warned, however, that the ITF cannot be too high. "The single tax should be about 4 percent, thus taxing what is currently not being taxed."

Senate 'Not Convinced' by Collor's First Witnesses

PY0611223692 Rio de Janeiro O GLOBO in Portuguese 6 Nov 92 p 3

[Excerpt] Brasilia—The three testimonies given yesterday have not convinced members of the special impeachment commission that suspended President Fernando Collor is not guilty of influence peddling or that he had no links with Paulo Cesar Farias. The strategy of Collor's defense was to get former Ministers Ozires Silva and Bernardo Cabral and former BNDES [National Bank for Economic and Social Development] President Eduardo Modiano to testify that they had not been pressured by the president to honor PC's requests. The three did not change the senator's opinion on the charges of malfeasance in office against Collor.

Senator Jose Paulo Bisol (PSB-RS) [Brazilian Socialist Party for Rio Grande do Sul], a member of the Senate commission, commented: "The three testimonies were harmless. If it was the strategy of the defense to use this to prove that the suspended president is innocent, his lawyers must be out of their mind."

Mario Covas (PSDB-SP) [Brazilian Social Democratic Party for Sao Paulo] said: "The testimonies presented by the defense so far are neutral and those to come will not improve Collor's situation." [passage omitted]

Nuclear Association Against IAEA Inspection

PY0711014892 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Nov 92 Section 1 p 11

[Article by Tania Malheiros]

[Text] Rio de Janeiro—The board of directors of the Brazilian Nuclear Energy Association (ABEN), which is an independent organization maintained by about 1,000 nuclear professionals and five nuclear companies, will ask interim President Itamar Franco not to ratify an agreement allowing the IAEA [International Atomic Energy Agency], with headquarters in Austria, and Argentina to inspect the activities and research of the Brazilian parallel (military) nuclear program.

ABEN Director Guilherme Camargo received information that the IAEA has just approved a resolution from its Board of Governors authorizing the agency to inspect, based on a public accusation, any country using nuclear energy outside its control. Camargo said: "Unofficially, we know that this resolution was conveyed to the Brazilian Government."

Camargo, who is a Nuclebras Engineering, Inc. (Nuclen) nuclear engineer, said that in the next few days Itamar Franco will receive the ABEN document answering the agreement with the IAEA and Argentina signed by suspended President Fernando Collor last year.

Camargo said: "Collor distorted an old cooperation policy between Brazil and Argentina, which established

mutual inspection that enhanced the mistrust between the two countries." He said that for the last two months ABEN has been in contact with congressmen to prevent the agreement from being approved by Congress.

According to ABEN, the agreement hurts national sovereignty. Camargo added: "Later on this agreement may start a precedent by opening safeguards for other areas such as the chemical sector under the pretext of fighting the proliferation of chemical weapons, and also for the biotechnology sector under the pretext of fighting the proliferation of biological weapons." ABEN believes the agreement is "a disguised attachment" to the Nuclear Nonproliferation Treaty, which has been rejected by all Brazilian governments since its implementation in 1968.

Even if Brazil declares itself against the making of an atomic bomb, Camargo believes that "Brazil should not be inspected even for that reason." According to Camargo, the IAEA resolution that allows inspections in any country "was inspired in by inspections made by the agency in Iraq" after its surrender in the Persian Gulf war. ABEN proposes a minimum program of nuclear activities for the next five years that includes the completion of the Angra-2 nuclear plant.

The ABEN president is Luiz Hiroshi Sakamoto, a physicist with the National Nuclear Energy Commission, which is subordinated to the Strategic Affairs Secretariat (SAE).

Chile

RN Candidate Drops Out of Presidential Campaign

PY0711184592 Santiago Radio Chilena Network in Spanish 1600 GMT 7 Nov 92

[Text] In a written statement released to journalists at the National Renewal [RN] headquarters, Deputy Evelyn Matthei has resigned as a party presidential hopeful. Matthei said she asked for forgiveness for what happened in the phone tapping case that affected Sebastian Pinera, because she knew there was a tape with an illegally recorded conversation between Senator Pinera and Pedro Pablo Diaz even before the tape was made public. She said a couple of young people whom she did not know gave her the tape. She admitted that later she met with Juan Ignacio Osa and RN treasurer Cristian Correa, members of her political command, to advise them of the tape. Matthei said she then delivered the tape to Ricardo Claro, an entrepreneur of the Megavision television channel.

Matthei said the events that occurred afterwards proved how wrong this decision was. Therefore, she decided today to halt her campaign as a presidential hopeful.

[Begin Matthei recording] Very serious damage has been caused. There has been a wave of rumors and speculation, while unfair suspicions and accusations have burdened RN members, all of them innocent. Our internal coexistence has also been seriously harmed, while the image of the RN has been impaired. This self-destructive situation cannot continue. Consequently, I decided to tell the truth, which once again has proven to be the only appropriate path.

I categorically state that the facts that I described are totally true.

We undoubtedly made major misjudgements, and the circumstances led us to make hasty decisions. Yet no RN member has committed any crime. The rumors alluding to conspiracies by members of my political command are totally groundless, and I hope Judge (Chegnaud) is able to prove this.

I am fully responsible for this deplorable event. I ask Sebastian Pinera, especially his family, RN members and leaders, our political allies and followers, and all those who placed their confidence in me—and whom I have disappointed—to forgive me. [end recording]

As you have just heard, Deputy Evelyn Matthei has resigned as a candidate for the presidency, and, according to what she said, she remains at the orders of her party to help repair—from whatever position—the enormous damage that she inadvertently helped to create.

Now there are some questions that still have to be answered, as Matthei did not answer journalists' questions because her party's supreme tribunal ordered party members to avoid commenting on the issue.

The questions one would like to have answered deal with the youths who gave her the illegal tape. She said they were ham radio operators who intercepted Pinera's conversation. Who edited the tape that was delivered to Ricardo Claro? The only thing we can say thus far is that on 23 August, Matthei was given this tape, talked with members of her command, and later gave it to Ricardo Claro, after she became aware of the tape's content.

RN President Andress Allamand will soon talk with reporters.

Pipeline Construction To Begin in Dec

PY0911134992 Santiago Radio Chilena Network in Spanish 1000 GMT 9 Nov 92

[Text] According to Mining Minister Alejandro Hales, construction of the pipeline that will bring oil from Argentina to Chile will start in December. He added that the first stage of the project comprises the construction of 90 km of pipeline.

Hales explained that this first stage entails the building of the pipeline through the Andes mountains—45 km on each side of the border. He said this first stage must be completed by May because it is impossible to operate construction equipment in this region during the fall and winter.

The pipeline will bring crude oil from Neuquen, Argentina, to the Talcahuano Port in Chile. According to the construction schedule, the oil pipeline must be operating by mid-1994, and it will have an initial pumping capacity of up to 94,000 barrels of oil per day. It is expected that the pumping capacity in the medium term will total 113,000 barrels per day.

Colombia

15,000 Soldiers To Join Ranks of Armed Forces

PA0911153092 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1500 GMT 9 Nov 92

[Text] Santa Fe de Bogota—Fifteen thousand new soldiers will join the ranks of the Armed Forces on 10 November to reinforce the security plans made by the authorities. The recruitment directorate has announced that the new soldiers will begin their training in various military units and will remain within the ranks of the Armed Forces for 18 months. During that time, they will receive basic training, individual as well as with their unit. They will also receive special counterinsurgency training. Their training will conclude with the operations to ensure public order throughout the country.

Armed Forces Search For Guerrillas in Putumayo

PA0911195492 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 9 Nov 92

[Report by Guillermo Gonzalez in Orito, Putumayo]

[Text] Approximately 1,000 members of the 3d National Army Brigade, combined Army and police forces, and counterguerrilla forces have launched an operation to catch the guerrillas who assassinated 25 policemen in Orito Municipality, Putumayo.

The operation was launched after the attack that resulted in the deaths of 25 policemen. It involves professional soldiers, counterguerrilla force members, and several Narcotics Police helicopters. The chase is being carried out by land and air.

[Begin 3d Brigade Commander General Victor Arevalo recording] The whole brigade will certainly go anywhere in this jurisdiction—wherever treacherous, heartless, and bloody attacks like the one that just occurred are perpetrated. The entire military jurisdiction will cooperate wholeheartedly to solve the problem. [end recording]

Helicopter gunships are flying over the area continuously and, according to the Army, approximately 60 men comprising the 29th and 32d Fronts of the Revolutionary Armed Forces of Colombia—which assassinated the policemen—have been detected in the area of La Hormiga and Orito.

A soldier was injured in one of the first clashes. There is still no information on guerrilla casualties. Fierce clashes continue in the zone and the region is totally militarized. No direct contact has been established with the subversives, but operations continue throughout southern Colombia.

Government To Offer 'Ransoms' for Guerrilla Leaders

PA0911203792 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 9 Nov 92

[Text] A national campaign to offer ransoms for guerrilla leaders will start in a matter of hours. Newspaper ads and flyers will be printed offering ransoms for [Revolutionary Armed Forces of Colombia, FARC, leader Manuel Marulanda Velez] Tirofijo, [Army of National Liberation, ELN, leader] Father [Manuel] Perez, Alfonso Cano, and other guerrilla leaders. Whoever helps capture them will be awarded money. The measure has been effective against drug traffickers and it has also proven its worth in Peru.

There will hardly be any difference in the campaign. The ad offering a juicy amount of money for the head of Tirofijo, Father Perez, and other guerrilla leaders will practically be identical to the one being issued offering a ransom of billions of pesos to whoever supplies information on the whereabouts of Pablo Escobar.

Although the ad is now being prepared so it can be broadcast as soon as possible, it is known the ransom for FARC leader Manuel Marulanda Velez, aka Tirofijo, and ELN leader Manuel Perez will be for at least 100 million pesos; approximately 50 million pesos will be paid for Alfonso Cano, another FARC leader; the same amount will be paid for Francisco Caravallo, chief of the People's Liberation Army [EPL] dissidents; and between 15 million and 30 million pesos will be paid for each of the guerrilla front leaders.

The publicity offensive against the guerrilla groups will not be limited to television, and—as in the Old West—the government will also distribute posters offering millions of pesos in ransom to all the municipalities, communities, and rural areas. Thus, the authorities will not only seek to achieve results like the ones obtained with the drug traffickers; it will also try to imitate the Peruvian Government, which managed to capture Shining Path leader Abimael Guzman using an identical system.

Government To Attack Guerrilla Supply Network

PA0911194892 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 9 Nov 92

[Text] The national government has finally decided to attack all organizations that support guerrilla groups. Cooperatives and community organizations suspected of helping to supply guerrilla groups with food and medicine will be subject to intervention.

The government will intervene in the funding and management of many agricultural cooperatives that purchase

and distribute food for the guerrilla organizations. Security services have detected that a well established organization operates in certain departments to support the guerrilla groups with money, food, and transportation.

An entire organization of services is required to feed more than 15,000 guerrilla members and to support their operations. The government has reported the guerrilla groups are financed through kidnapping and cocaine production. The money resulting from kidnapping and drug trafficking must necessarily be channeled through banks and financial organizations.

A purchase and supply network is required to purchase food and clothes destined for the guerrilla groups. Transportation services are necessary to take the food and medicine to the guerrilla camps aboard four-wheel-drive vehicles, trucks, and mules.

Now that the situation has been brought to light, special decrees will be issued in a matter of hours to carry out actions against the guerrilla supply network. A special decree establishes new mechanisms to freeze suspicious bank accounts in cities and municipalities.

Ministers To Report on Additional Decrees

PA1011045092 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0415 GMT 10 Nov 92

[Text] Santa Fe de Bogota—The Council of Ministers has analyzed up until now three of at least 10 complementary decrees to the state of internal disturbance ordered by President Cesar Gaviria Trujillo in the face of the recent escalation of terrorism. Narino Palace spokesmen said the first decree deals with the powers the government will bestow on the military forces to act as a judicial police. The second decree establishes binding guidelines to governors, mayors, and other officials on the dictates that President Gaviria may issue on public order matters, and the punishment that will be imposed on them if they make deals with the guerrillas. The third decree based on the state of internal disturbance regulates the news media's information, because the government does not feel it is reasonable to carry live and direct broadcasts on military operations, attacks by the guerrillas, or statements issued by outlaws. On the morning of 10 November at 0730 [1130 GMT] Government Minister Humberto de la Calle Lombana, Defense Minister Rafael Pardo Rueda, Justice Minister Andres Gonzalez, and Communications Minister William Jaramillo will grant a news conference to explain the new measures to control public order in the country.

Justice Minister on National Emergency Decrees

PA0911180692 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 9 Nov 92

[Report by Adriana Ayala]

[Text] Justice Minister Andres Gonzalez has reported that the first decrees of the new national emergency against the guerrilla groups will be issued at 1800 [2200 GMT]. The minister revealed that military forces will be given police functions.

[Begin recording] [Ayala] Within the measures announced by the national government, there are some which deal with the administration of justice. We are now with Justice Minister Andres Gonzalez. Mr. Minister, what kind of new measures will be adopted by the government, from the judicial management standpoint, to fight the guerrilla groups?

[Gonzalez] They are assorted functions and tasks. First, we will attempt to achieve progress in the protection of judges, judicial officials, members of the Attorney General's Office, and witnesses. Second, we will reform provisions to render the investigation of these crimes more effective. It is appropriate to mention that the role of Judicial Police will be entrusted to the Army and the Public Force, while a representative from the Attorney General's Office will handle cases in areas where—due to military operations or great distances—there are no ordinary Judicial Police authorities and it is necessary to gather evidence and conduct a preliminary investigation. In addition, we will review administrative and judicial instruments to break the guerrilla groups' schemes and financial support network.

[Ayala] Mr. Minister, when will the measures come into effect?

[Gonzalez] Gradually, they will be studied and then issued. [end recording]

Minister Warns Guerrilla War Threatens Livelihood

PA1011033792 Santa Fe de Bogota Emisoras Caracol Network in Spanish 0257 GMT 10 Nov 92

[Text] The Council of Ministers has so far analyzed three decrees complementary to the state of internal disturbance. As Government Minister Humberto de la Calle Lombana reported at 1800, the first one deals with the power the government will give the military forces to act as judicial police. The second one establishes binding guidelines for governors and mayors regarding the dictates President Cesar Gaviria Trujillo may issue on public order matters and the ban on making deals with subversives. The third decree deals with the media.

Let us recall some excerpts of the talks we had with Government Minister De la Calle on the importance of the state of internal disturbance, where war has practically been declared on subvervises, and his appeal to the community:

[Begin De la Calle recording] We face a terrorist act against the legitimate rights of Colombians and against innocent Colombians. This conflict involves all of Colombia. The guerrillas have unleashed a war on Colombia. The country must rally together to win that war and will do so. This is not a remote conflict between

two alien protagonists, namely the Army and the guerrillas. No. What is at stake is the system and way of life of the Colombian people. What is at stake is one's life, personal security, and the right to earn one's livelihood honestly. [end recording]

Criminal Charges Levied Against Medellin Cartel

PA0811201492 Paris AFP in Spanish 0355 GMT 7 Nov 92

[Text] Santa Fe de Bogota, 6 Nov (AFP)—Police Director General Miguel Antonio Gomez announced on 6 November that he will present criminal charges against the Medellin Cartel's top leadership for the murder of approximately 20 policemen by gunmen in the past nine days.

In statements to the GAP [not further identified] television newscast, the high-ranking officer disclosed that the intelligence services have established that the mafia are paying 1.5 million pesos (about $2,100) for the death of each soldier.

When asked to be specific, Gen. Gomez said those responsible for the police massacre "are the Envigado prison fugitives," especially their boss, Pablo Escobar.

The cartel's "capo" who had voluntarily surrendered to justice in June 1991, escaped with nine of his men on 22 July. Up to now, all efforts to recapture him have proven useless.

Seven of his lieutenants, who again surrendered to authorities, are being held in Itagui Prison, outside Medellin, together with others did not escape from Envigado.

Gen. Gomez announced that steps have been taken to face the situation and that the policemen in training—youngsters who are serving their military draft in the police force—will remain in headquarters for the time being to avoid being murdered. They are the paid assassin's favorite targets because they are unarmed.

Between August 1989 and July 1991, just over 200 policemen lost their lives in the hands of mafia gunmen, who responded this way to repressive actions by the authorities. At that time, the paid assassin's "tariff" ranged between 2-4 million pesos, depending on whether the murdered policeman was a private or an officer.

The current offensive against the Medellin police began following the killing on 28 October of Brance Munoz, "military chief" of the cocaine organization, by an elite commando dispatched from Bogota.

Rodriguez Orejuela Brothers Deny DEA Charges

PA0811162592 Santa Fe de Bogota EL TIEMPO in Spanish 3 Nov 92 p 4D

[Text] Gilberto and Miguel Rodriguez Orejuela on 2 November said that Tom Cash, director of the Drug Enforcement Agency (DEA) in Miami, will have to present reliable proof "of our alleged involvement in drug trafficking, because we believe he has criminal responsibility in the attack on our rights."

The Rodriguez brothers, charged by the DEA of heading the Cali Cartel, also said that "we have instructed a law office in the United States to represent us and defend our rights."

The statements made by the two citizens are included in a letter sent to this newspaper's director. The letter is in response to the decision made by the Florida federal authorities to bring charges against an alleged Colombian drug trafficking network for shipping 19 tons of cocaine to the United States stuffed into concrete posts and in a shipment broccoli. Miguel Rodriguez Orejuela has been allegedly linked to this shipment.

The following is the text of the letter:

We were surprised to read that we are being linked with a shipment of cocaine found last year in some concrete posts and some vegetables in Miami and not with the "Green Ice" operation.

It is funny how through communiques and statements the U.S. authorities, in one way or another and without proof, wish to make us appear to be the owners and masterminds of a cocaine shipment seized in the United States. Their only grounds for these charges are that we are the heads of the renowned "Cali Cartel."

Once again we wish to state that we are not involved in this matter, which we are repeatedly, maliciously, insistently, and periodically being linked to by the U.S. authorities.

It is obvious that this permanent and groundless aggression is part of a systematic campaign against us and legally it has been proven that it has no bearing with the events described in today's news.

Miami DEA Director Tom Cash, author of the tendentious information, will have to present reliable proof of our alleged involvement in this matter, because we do believe that he has criminal responsibility in the attack on our rights. We have instructed a law office in the United States to represent us and defend our rights.

[Signed] Respectfully, Gilberto Rodriguez Orejuela and Miguel Rodriguez Orejuela

Attorney General Sends Letter to Congress

PA0611161792 Santa Fe de Bogota EL TIEMPO in Spanish 31 Oct 92 pp1a, 5b

[Letter from Attorney General Gustavo Arrieta to Senate President Jose Blackburn and Chamber of Representatives President Cesar Perez in Santa Fe de Bogota, date not given]

[Text] Honorable Congressmen: In view of the special public order circumstances and the noticeable increase

in criminal activity in different areas of the country, I deem it necessary to address you for the purpose of respectfully asking you, and the Honorable Congress through you, to make a prompt decision on the Statutory Law that must govern the state of emergency, since the issuance of this law is becoming particularly important considering the current situation and, most of all, considering what some persons are proposing as possible alternatives to resolve the crisis.

As the representative of the interests of society and defender of the Constitution and the laws, the Attorney General's Office is concerned over the disquieting polarization that now exists in the country, between something that we could describe—paraphrasing Gaitan—as the national country and the juridical country, between those who feel that in the struggle against subversion and crime it is necessary to go outside the rule of law and those of us who feel the rule of law is the supreme condition on which our coexistence rests.

This ambivalence is, of course, a curious circumstance in a country that a little over a year ago drafted and approved a new Constitution, the real scope of which is now beginning to be understood. One of the fundamental bases of the Constitution is respect for the rights of people without discrimination.

That can be deduced, to cite an example, from Article 93 of the Constitution, which establishes that international treaties on human rights prevail over domestic legislation, or from the provisions that strengthen the Attorney General's Office in these areas or those that create the Prosecutor General's Office and the Ombudsman's Office [Defensoria del Pueblo].

Taking these constitutional principles into consideration, it is all the more terrifying that in the face of the crisis the country is experiencing some people think a solution is achieved when the authorities in control, chiefly the Attorney General's Office, turn their backs on their legal and constitutional obligations and tolerate repressive mechanisms that have no place in our system. This stance is inadmissible not only because it would entail a double standard that the institution under my responsibility will never adopt but also because far from solving the problem it would worsen it. These same reasons reveal the childish nature of the excuse some want to use, as they argue that one of the causes for the public order problem is the so-called "Attorney General's Office syndrome," a phenomenon that the Armed Forces commander said does not exist, according to a statement he made a few days ago to daily EL TIEMPO.

The Attorney General's Office does not hamper or limit military operations, nor does it punish those who meet their obligations. That can be seen in the statistics that reveal that the Attorney General's Office acts, based on the appropriate disciplinary process, to punish servicemen who harm the rights of their fellow citizens, brutally at times, but never those who are involved in specific military operations.

For this reason, the alleged Attorney General's Office syndrome is nothing more than an apology handed down, fortunately only to a few, who attempt to conceal behind this syndrome their own ineffectiveness, the difficulties inherent to their position, or their inability to understand the alternatives that the state of law offers.

Crime and public order problems require a number of solutions, ranging from the elimination of their causes to intelligent enforcement of the law. For this purpose, and when regular methods prove insufficient, the state of emergency was devised, which gives the state special instruments to handle public disturbances, among other things. The corresponding legislation for the enforcement of the state of emergency should be approved urgently. This legislation will determine the legal framework for controlling difficult situations. In particular, the legislation will determine the system for protecting citizens' rights within the framework of internal legislation and international treaties, as well as juridical control of the exercise of government power so the state can indicate accurately its own limitations in exercising the special power derived from the state of emergency. If the legislation is found to be inadequate, it would be up to the Congress, in carrying out its political responsibility, to decide whether a constitutional amendment, which fits different premises, is in order.

The core of the state of law resides in obedience to requirements and procedures. Internal conflict that causes public disorder or "war," as some prefer to describe it, is not alien to the democratic or legal state, which recognizes and admits the existence of this conflict. Nevertheless, it is the lawmakers' responsibility to provide the appropriate and necessary institutional solutions that our country could require to arrest the crisis. Consequently, the solution does not lie in the Attorney General's Office turning its back. The solution lies in that the country, through democratic means and utilizing every one of the alternatives our constitutional system provides, must muster the courage to wage the necessary battle to determine the laws the country wants for its own government. This, at the risk of being repetitive, is the essence of the state of law. We should not keep thinking that the principles embodied in the Constitution are just ornaments.

This is why, aware of my own responsibility and sphere of action, and to preclude unending and senseless disputes that do not strike at the root of the problem, I respectfully reiterate my request that the Congress should either approve the legislation governing the state of emergency or determine the corresponding measures within the democratic state of law, if the Congress believes the constitutional principles governing us are insufficient.

[Signed] Carlos Gustavo Arrieta, attorney general

Mendoza Leaves Country Due to Death Threats

PA0711231692 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1700 GMT 7 Nov 92

[Text] Eduardo Mendoza, former deputy justice minister, left the country for an undisclosed destination a short while ago. State security corps warned Mendoza about the existence of plans to murder him, which was to be carried out in a few days. Eduardo Mendoza, the only witness against drug lord Pablo Escobar Gaviria, sued Escobar Gaviria for kidnapping as the former official and Colonel Hernando Navas, the then director general of prisons, were held under death threats at the Envigado jail the night Pablo Escobar escaped. Mendoza's lawyer informed Gustavo De Greiff, prosecutor general of the Republic, and Francisco Jose Cintura, deputy prosecutor, about his client's departure.

* General Denies Divisions Within Armed Forces

93SM0029A Santa Fe de Bogota EL ESPECTADOR in Spanish 4 Oct 92 p 7A

[Interview with Armed Forces Commander Manuel Jaime Forero Quinones by Julian Rios Rojas; place and date not given—first three paragraphs are introduction]

[Text] The commander of the Colombian Air Force (FAC), General Manuel Jaime Forero Quinones, believes that one of the strongest pieces of evidence pointing to the unity of the Armed Forces is the fact that he, an officer in another branch of the military, is now head of the Armed Forces.

In his opinion, there can be no conflicts or resentment among the branches of the military because they are necessary to preserve democracy in Colombia.

In this manner, the high-ranking officer clarified various statements made in Congress by retired FAC General Hernado Monsalve regarding possible divisiveness within the Armed Forces.

[Rios] Is there divisiveness or confrontations in the Armed Forces?

[Forero] I can assure the country that we are united and we have absolutely no resentment. Every day, FAC pilots work shoulder to shoulder with enlisted men and junior and senior officers of the Army; they are in the mountains of Colombia fighting against the guerrillas. The Navy cooperates at all times with the Army and the Police, which also coordinates all activities with us. All of this shows that there is a monolithic unity within the Armed Forces.

There are a number of people who would like to see a rift in the Armed Forces, but we are very professional and we have clearly defined conduct. We have always believed in the monolithic unity of the Armed Forces, as the defense minister has said. Any high-ranking military officer sacrifices his personal interests for the benefit of that integration.

[Rios] Do Colombians support the Armed Forces?

[Forero] Good people support the Armed Forces because they understand they are necessary in a democracy. Moreover, the military is able to absorb blows and can recover quickly whenever a crisis arises.

But there must be people who are interested in seeing a fissure in the Armed Forces for the sole purpose of assaulting democracy.

[Rios] Did the appointment of a civilian as defense minister cause friction?

[Forero] No, on the contrary, the appointment caused greater unity. The minister took to the Armed Forces right away, and they to him. The president has the power to take that kind of measure. There is no resentment.

[Rios] What support did the FAC provide in the Cathedral operation?

[Forero] Well, I think we are complicating matters a great deal by bringing in unimportant things. Describing the operation in a certain way or getting into a detailed chronology of events does not really lead to a logical or comprehensive view of everything that happened.

The problem of the Envigado jail is a book with many chapters, and unfortunately, the last one was the failure of a military operation that allowed the escape of Pablo Escobar and his cronies.

But to have a clear and comprehensive idea of what happened, you have to read all the chapters of the book and not attribute so much importance to the matter of the Armed Forces.

Whether the operation was tactical or administrative, whether the plane left at 1253 hours or arrived at 1415 hours, that is getting bogged down in details so that you cannot see the forest for the trees.

There was a single mission: not to allow Pablo Escobar to get away. Since the middle of 1991, a cordon had been set up around the jail to prevent his escape, but the criminal fled on 22 July of this year.

The Army made the decision to remove the commander of the brigade and of the battalion from his post.

Gen. Monsalve chose to request that he retire from active service, because in certain high-ranking posts a mere reprimand compromises the person's professionalism. When someone is assigned to a post, he is given full powers, not restricted functions.

* Carlos Alonso Lucio on Break with AD/M-19

93SM0033A Santa Fe de Bogota EL TIEMPO in Spanish 2 Oct 92 p 3A

[Article by Alvaro Garcia Hoyo: "The Political Movement 'The Alternative' Being Organized; Carlos Alonso Lucio Withdraws from M-19"]

[Text] After several years of activity in the M-19 [19 April Movement] Carlos Alonso Lucio decided to withdraw from that political group this week and set up his own organization. He said: "We are no longer a part of that policy of merely serving our own interests. We do not sympathize with the way M-19 does things. We do not accept its lack of internal democracy when it comes to making decisions."

He added that, for the moment, the new organization will have the name of The Alternative and that he has already arranged to hold the First National Conference of Departmental Leaders in March 1993, at which the name, flag, symbols, and colors will be chosen, when the new political group is launched nationally.

Lucio stated: "Now we are presenting the new leadership of this group in the various departments, bringing together new people from different backgrounds, including businessmen, intellectuals, workers, independent people, the middle class, people's organizations, etc."

According to the political leader, he wanted to make it very clear, right away, that he will not join either the Liberal or the Conservative Party, nor is he going to enter into electoral alliances with those two parties or with anyone else. He stated: "We want new people who have no political commitments."

He recalled the work which he has done over the past few months, leading the struggle against corruption at the national and regional levels. He said: "We are beginning to consolidate a new, political alternative for reflection. Today, a new political movement is being born."

The group led by Carlos Alonso Lucio has to its credit the denunciations which sent Juan Martin Calcedo Ferrer, the former mayor of Bogota, to jail, and the subsequent investigation of members of the municipal council of Bogota.

At the same time, he promoted the investigation of the National Federation of Coffee Growers and made the first denunciations of irregularities in the contracts for the construction of El Guavio reservoir [a hydroelectric project]. Now he is seeking to cancel the remainder of the terms of five municipal council members in Barranquilla for alleged administrative corruption.

According to Lucio, the two major objectives of The Alternative are to develop the new constitution fully and carry out investigations to prevent continued corruption.

He said: "We are introducing new forms of political action, beginning with the exercise of citizens' rights and not necessarily involving political programs."

Goodbye to the M-19 Movement

Beginning about one year ago, Carlos Alonso Lucio undertook a public, political task with the support of a section of Democratic Alliance, "seeking to bring about the reorganization of that movement to try to reestablish its status as an alternative, political force."

Now he is withdrawing from his former group because of what, in his view, he considers a series of errors which have made it lose all credibility among the Colombian people.

Among what Lucio points out as an M-19 failure is the political agreement which the movement made in the National Constituent Assembly, "which made only traditional politicians eligible to enter the new Congress and made it impossible for others who had national prestige and support to do so."

Then, in the Special Legislative Commission, the M-19 Movement supported the objective of the government to convert all of the legislation left over from the period of the state of siege into permanent laws, "with a security law which has everything but democratic principles in it."

He said that he does not understand how, "From the beginning the M-19 Movement supported the neoliberal, economic policy of President Gaviria, the large staffs Congress approved in its internal regulations and tax reform legislation."

He added: "To complete this process, we then began a merciless battle against the symbols of politics as usual in the Municipal Council of Barranquila, promoting the idea of recalling from office previously elected officials. Antonio Navarro succeeded in stopping this process."

Continuing with his list of criticisms of the Democratic Alliance, Lucio said that when he began to question the use of glyphosate [a herbicide] when he was in the Ministry of Health, "I had barely begun to do so when they got up and supported the government."

He said that the only objectives of the Democratic Alliance are promoting Navarro's presidential candidacy in the 1994 elections, "looking out solely for its own interests and a share of the jobs in exchange. Today AD and M-19 are more committed to their own interests than to the defense of that sector of Colombia which has been excluded from decision making."

Regarding the political agreement signed by the government, the Liberal Movement, the New Democratic Force, and M-19, Lucio said: "That is a sea of froth. It is an agreement which has no real meaning. It is a list of a few empty titles and points of agreement, which makes it look like an agreement to serve the interests of its own supporters, in order to obtain a share of positions in the cabinet."

After strongly criticizing the present attitude of the Democratic Alliance and stating that he has no political relationship with Ramiro Lucio Escobar, Carlos Alonso Lucio said that at the present time he has more support throughout the country than Navarro Wolff.

Plans

When he was asked about his possible interest in being a candidate for the presidency, he replied that, for the time being, he and his supporters are going to call on the

country "to adopt a form of political pluralism which can involve several points of view and where decisions will be made on the economy of the country, the new constitution, the peace process, public order, etc. If the process goes well, we will be an alternative for the 1994 elections. However, for the moment we must achieve certain goals."

He said that his intention is not to compete with the leadership of the M-19 Movement and that many of the solutions to the problems of this country begin by replacing the existing political leadership with new leaders.

He stated: "We invite the rank and file members of the M-19 Movement to travel the path which Bateman, Pizarro, and Fayad left to us and not to follow that path strewn with errors, bossism, and sellouts followed by the present membership of the Democratic Alliance."

Criticisms Made by Lucio

Whether belligerent or committed to criticizing the government, since his sudden appearance in political life Lucio has succeeded in becoming the voice of criticism of the M-19 Movement.

At his initiative the ordinary courts undertook the criminal prosecution of the then mayor of Bogota and several members of the Municipal Council for the alleged distribution and payment of 1,674 million Colombian pesos for the staff of the Municipal Council of Bogota and more than 500 million pesos in administrative assistance.

However, Lucio continued his career by making well known demands. On 5 May he presented a complaint before a criminal investigating judge against the last eight former mayors of Bogota, as well as against the managers of the Energy Corporation who have held that position since 1982, when the contract was signed for the construction of El Guavio reservoir. He alleged irregularities in contracting and construction work on the project.

On that occasion the complaint involved more than 80 persons, including the members of the Board of Directors of the company and some contractors.

In Barranquilla, the principal, political base of M-19, which he has now abandoned, he stirred up a wasps' nest in August when he publicly called five members of the Municipal Council representing the traditional parties "the leaders of corruption."

And his campaign went on, with the complaint which he made on 17 June against the manager of the National Federation of Coffee Growers for alleged irregularities in the repatriation of foreign exchange obtained from sales of coffee on the world market.

On that occasion Lucio said that the failure to repatriate foreign exchange involved 1.7 billion Colombian pesos. He accused the manager of the federation of the crimes of misappropriation and, by extension, abuse of confidence.

About two weeks ago Lucio presented an expanded version of his complaint, and the Unidad Preliminar de Fiscalia [Preliminary Prosecution Unit] will have to decide in the next few days whether to open an investigation of the manager of the federation, through a board of inquiry.

What in the view of some people has been a simple "taste for conflict," in the view of others is a political attitude which, with all of its calculated risks, has well earned for Lucio the nickname of "prosecutor of the M-19 Movement."

The attacks against him have not been slow in coming. The same members of the Municipal Council of Barranquilla, against whom he presented a writ for dismissing them from their positions, accused him even of having shady connections with illegal activities. Up to now this struggle has not had any legal result.

Nor is his rebellion against the official line of the M-19 Movement anything new. In the March elections he prepared a separate list and ran for the office of mayor of Bogota.

At that time he said that the M-19 Movement was too much like the traditional political parties and that it was not even original in the way it presented its political message.

He has also been a businessman. He is credited with arranging for the purchase of *Siete Dias en el Mundo* [This Week in the World], a television news program, now called *Notivision* [Television News], and which is the first program aimed at a mass market for promoting the M-19 Movement.

During the time he lived a clandestine life he was also a business "executive" and arranged investments for the formerly insurgent movement.

At that time, as he admitted later, the only transaction that turned out badly was the establishment of a militia force which ultimately led to discredit and a loss of its weapons.

Ecuador

President Appoints State Modernization Commission

PA1011040792 Quito Cadena Ecuador Radio in Spanish 2300 GMT 9 Nov 92

[Excerpts] President Sixto Duran-Ballen on 9 November installed the National Commission for the Modernization of the State [Comision Nacional de Modernizacion del Estado], Conam, a new government organization that will decide what state enterprises will be privatized. During the swearing-in ceremony held at the government palace, the president said the new agency will be in charge of reviewing the status of the state enterprises

before deciding on their privatization. In many cases, current government services could be turned into completely private organizations. In other cases, they could be turned into mixed enterprises, the president said.

[Begin Duran-Ballen recording] On the morning of 9 November, we installed the special commission that will be in charge of state modernization. The commission is the result of one of the proposals made during my campaign, which I have reiterated during the first 90 days of my government. Modernization not only means privatization. It means an entire process aimed at reorganizing the state so that it can provide a more efficient service. During my campaign, I said we could not follow the steps taken by other Latin American countries and I also said we would avoid being imitators. I said we should try to deal with problems as our Ecuadoran reality demands it. [passage indistinct] [end recording]

Carlos Romo Leroux was appointed commission chairman.

Health Center, Hospital Workers Begin Strike

PA0911152492 Quito Voz de los Andes in Spanish 1200 GMT 9 Nov 92

[Text] An indefinite strike has started in all the hospitals and health centers of Ecuador. Approximately 20,000 health workers started throughout the nation the strike, which will initially be carried out four hours per day. Spokesmen demand that authorities pay a monthly salary increase of 30,000 sucres, which is owed the workers since July. They also want to prevent a 17 billion sucres budget cut in the health sector. The committee in charge of the strike believes the budget cut will seriously affect the normal operations in all of the country's health centers. The government is willing to participate in a dialogue with the strike representatives, provided it is lifted. The strike committee and Health Minister Leonardo Viteri might meet 9 November.

Possible Border Incident Prevented With Peru

PA0611201992 Quito Voz de los Andes in Spanish 1200 GMT 6 Nov 92

[Text] According to unofficial sources, top intelligence officers in Ecuador and Peru early last week prevented a probable incident between military patrols belonging to the two countries.

The sources, quoted by the Quito newspaper HOY, said Ecuadoran and Peruvian patrols left their garrisons at the border, met near the Manchinaza River, then refused to vacate the site.

Military officers, who met the same day at the Armed Forces 20th consultation meeting in Quito, ordered their men to return to their respective garrisons and prevented a violent incident.

Paraguay

New Defense Minister Bernal Interviewed

PY0911163492 Asuncion NOTICIAS in Spanish 7 Nov 92 pp 6, 7

["Excerpts" of interview with Defense Minister General Eumelio Bernal at Govenment House "after the swearing-in ceremony" on 6 November]

[Text] [NOTICIAS] Gen. Bernal, what are your main concerns as a citizen and a member of the Armed Forces?

[Bernal] As a citizen and a soldier, I am interested in a professional and institutionalized Armed Forces. I am also concerned about corruption, something about which newspapers report on every day. We must walk an open, wide, and clean path. We must try to confront the circumstances that create conditions for corruption. This is why I will work with honesty, loyalty, sacrifice, and patriotism. I will work double time if necessasry. I will not limit myself to working regular hours to fulfill my duty, and I will see to it that my comrades fulfill theirs.

[NOTICIAS] What can you tell us about General Lino Oviedo's influence over your appointment?

[Bernal] First I want to tell you that Gen. Lino Oviedo is a friend of mine, and has been for a long time. I have not talked with him about this. I do not have any connection with anyone. I think the decision was made exclusively by the president.

[NOTICIAS] Do you deny he has special affection for you and that he lobbied for your appointment?

[Bernal] I do not deny anything. I am only saying that I am not aware of it. Maybe he did, because he is a friend.

[NOTICIAS] From your statements, I understand you will support reports on corruption in the Armed Forces. What do you think will happen with Colonel Luis Catalino Gonzalez Rojas? It is said you have always supported his reports on corruption.

[Bernal] I have not supported anything or anyone. I have only fulfilled my duty of speaking the truth, and only the truth. The issue derives from something I heard at a meeting I was invited to attend. At that meeting I heard statements that the newspapers have already published. I would have spoken the truth no matter who had said what I heard. That is my position and that is why I said I did not support anyone. You use the word support, not I. I have only spoken the truth. I only repeated what I heard at the meeting.

[NOTICIAS] Will you assume an inflexible position in the fight against corruption in the Armed Forces? What is your position? Would you punish anyone if you have to?

[Bernal] I would not put it like that. I would follow government decisions as a minister. I would try to work as a link between the Armed Forces and the executive branch.

[NOTICIAS] Do you agree that people should continue reporting corruption cases?

[Bernal] Of course. This is very important. Corruption must always be reported. This is the only way to eliminate it and force people to stop doing what they are doing now.

[NOTICIAS] In your opinion, was there or was there not any disciplinary problem—as was reported—in military circles?

[Bernal] There were discussions about disciplinary problems. I do not know if there were any [problems]. I have not seen them.

[NOTICIAS] Recently, there have again been rumors of a schism within the Armed Forces. Well-known politicans speak about a possible uprising in view of this schism. Is there any truth to all this?

[Bernal] I can assure you that our Armed Forces are united. Speculation of this nature should not be disseminated at all because the people who are not familiar with the program we are implementing are merely speculating. We will be explaining and clarifying these things as they come up so that people will remain calm because there are still many things that need to be explained.

[NOTICIAS] What can you tell us about your personal future. Will you retire?

[Bernal] I comply with the orders of the commander in chief and the military promotion board. As a military man I must comply with all the laws.

[NOTICIAS] Some in the Armed Forces have pointed out that you can speak in those terms because you reportedly enjoy the support of the United States. What kind of ties do you have with the United States?

[Bernal] There is also much speculation in this regard for a very simple reason. Twenty-seven years ago, I was at the command of the troops sent to Santo Domingo, and I made many American friends during the 1965-1966 period when I was sent to fight the communists in the Dominican Republic.

[NOTICIAS] How do you explain the process involving your appointment, because initially you had refused to accept it? How do you explain this delay?

[Bernal] You are misinformed. The president had offered me the post and I requested that he give me time to think. I did not refuse to accept the post because I want to continue working at his side until his term expires. Therefore, I had to take some time to make a decision, but I did not take that long. The following day I informed him that I had decided to continue working at his side. This is why I say that sometimes the truth is distorted.

[NOTICIAS] What is your opinion on Col. Gonzalez Rojas' decision to resign from the ANR [National Republican Association]? Do you believe he is setting a good example?

[Bernal] This is a personal opinion. I believe it is up to every individual to decide whether or not to resign from a political party. I believe that the fatherland is above everything and my work is based on this principle, but in no way am I going to resign from the party I have embraced for many years.

Judge Indicts Former Police Chief Sanchez

PY0811194392 Asuncion ABC COLOR in Spanish 7 Nov 92 p 8

[Text] Court ruling No. 1911, in which Eighth Court Criminal Judge Jorge Gonzalez Rioboo today indicted General Francisco Sanchez Gonzalez, reads: "If the charges prove to be true, they will be considered crimes which will have to be prosecuted in keeping with the law. Consequently, a pretrial inquest to investigate and prove the cases, and to disclose the identity of the criminals and accomplices, will be ordered."

Gonzalez Rioboo made this decision after charges were filed with the Illegal Affairs Commission of Congress by engineer Enrique Nogues. The Commission sent a report on the case to the Supreme Court of Justice, which turned it over to Gonzalez Rioboo.

The report says that in late October, Nogues filed with Congress formal charges against former Police Chief Sanchez.

Nogues charged him with kidnapping, illegal arrest, coercion, threat, blackmail, extortion, and illegal accumulation of wealth.

Nogues claimed that in March 1989 Sanchez ordered him to be kidnapped and held under illegal arrest. He added that after his arrest he was compelled to hand over checks in the amount of millions that were accredited to Sanchez's personal bank accounts.

He also said that he was forced to transfer properties and enterprises while he was held incommunicado for days after the 2-3 February 1989 coup.

After receiving the report from Waldino Ramon Lovera, president of the Illegal Affairs Commission of Congress, Gonzalez Rioboo indicted Sanchez and ordered him to report to the court at 1630 on 17 November to testify.

The judge also sent a note to the manager of Asuncion Bank Inc. requesting information about the checks signed by Nogues and handed over to Sanchez, allegedly

to promote social actions in the police, but which were eventually deposited in Sanchez's personal bank accounts.

Gonzalez Rioboo asked the bank to "expedite" information on check No. 9,360,509, worth 31,468,508 guaranies, dated 7 April 1989; check No. 9,228,747, worth 8 million guaranies, dated 7 March 1989; check No. 9,185,362, worth 13.53 million guaranies, dated 7 March 1989; and check No. 9,021,050, dated 7 March 1989, all of them issued by Asuncion Bank Inc.

The note states that the bank will have to report to the judge the person in whose name the bank account was held into which the checks were deposited.

The bank will have to report the name of the person who issued the checks and the identity of those who deposited them.

The bank will also have to report to the judge on activity in the accounts of the checks' owners six months before and six months after.

Army Commander Deplores Corruption Within Army

PY0911205192 Asuncion ABC COLOR in Spanish 8 Nov 92 p 11

[Text] General Pedro Concepcion de la Cruz Ocampos, the Army commander in chief, has said that "corruption within the Armed Forces is deplorable both for the Armed Forces and for those who must account for their actions." He said, however, that many of the vices of civil and military institutions have been inherited from Stroessnerism.

He emphasized the Armed Forces' commitment to building once and for all a clean military administration. "We are also trying to avoid any involvement in the misuse of state funds," he said.

The new commander in chief said he was confident that the courts would eventually establish the guilt of those who are involved in corruption within the Armed Forces. He repeatedly said, however, that this was inherited from the previous regime.

He said that the corruption charges involving officers are deplorable, and emphasized the need for the Armed Forces to justify themselves in the eyes of the people.

"Carelessness by some members of the Armed Forces does not involve the institution," he said.

As for his work as commander in chief, he said he is trying to improve and adjust the Armed Forces' organization in order to improve the professional level of military men.

He concluded by saying that the fight agaivst drugs is one of the Armed Forces' main priorities at this moment.

Retired General Acknowledges DEA Visited

PY0611233392 Asuncion ULTIMA HORA in Spanish 5 Nov 92 p 12

[Text] Retired General Ismael Otazu Insaurralde, 54, confirmed this morning that Colonel Victorino Amarilla informed him that DEA [Drug Enforcement Agency] and DINAR [National Narcotics Directorate] agents had visited the 8th Infantry Division command offices while he was absent, adding that they had said the airstrip at Parque Cue was one of the key points in the drug trafficking route.

Gen. Otazu also said he had received former U.S. Ambassador Clyde Taylor, and a pilot who was a military attache at the embassy in Bolivia who said that planes coming from Bolivia disappeared over this region.

Otazu said the two "items" were reported to General Eduardo Marcelino Sanchez Insfran, who had the authority to process the information and find out the truth about the reports.

Otazu testified at the court presided over by Judge Arnulfo Arias on the case involving the finding of a plane with Bolivian license plates carrying more than 340 kg of cocaine at the Parque Cue airstrip on 13 September 1990.

Otazu said he was not aware of this particular case because he already had retired from active duty by that time.

Otazu also told the judge that on one occasion, when he was in Parque Cue checking if the airstrip was operational, he talked with the pilot of a Bolivian plane who told him that on one occasion he landed at Fort Cabrera's abandoned airstrip to recover a package that had been dropped there by another plane that had a breakdown.

"I asked him why the pilot dropped the package in an abandoned airstrip at the risk of his own life, and the pilot answered: 'because of the green bucks.'"

Otazu said he never knew what kind of package they were talking about and that he reported the meeting to the 3d Army Corp commander.

The general said that these three reports—the one mentioning the DEA agents, the one on Ambassador Taylor, and the one on the Bolivian pilot—must have been processed but he never knew the results.

Otazu said his command post at the 8th Division was in Major Pablo Lagerenza (Parque Cue was under the jurisdiction of the 6th Division, then under General Humberto Garcete).

Regarding the flight of planes called "skinners," Otazu confirmed their existence saying that they brought wild animal skins from the Chaco. "I assumed those flights were authorized by the appropriate authorities because they came directly from Asuncion," Otazu said.

The general added that during his stay in the Chaco he carried out infrastructure work and helped many families living around the barracks.

Peru

Fujimori Congratulates President-Elect Clinton

PY1011004992 Lima EL PERUANO in Spanish 5 Nov 92 p 1

[Text] President Alberto Fujimori yesterday sent a message to Arkansas State Governor Bill Clinton, congratulating him on behalf of the Peruvian Government and people for his victory in the U.S. presidential elections. Herewith the text of the message:

Lima, 4 November 1992

Your Excellency

Mr. Bill Clinton

Governor of the State of Arkansas

United States of America

On behalf of the Peruvian Government and people, I would like to congratulate you on your victory in the U.S. presidential elections, a fact that has undoubtedly reaffirmed your country's great democratic tradition.

At the same time, I would like to convey to you my sincere wishes that your administration may bring prosperity and stability to the United States.

I am sure that this will be accomplished and, consequently, I am very pleased to express my government's best predisposition toward continuing to work together for the benefit of our bilateral relations, and for the benefit of the peace, development, and integration of the nations of our continent.

I would like to convey my best wishes to you and to your distinguished family.

[signed] Alberto Fujimori, president of Peru

Economy Minister on Tax Reform, 1993 Goals

PY0611000492 Lima LA REPUBLICA in Spanish 28 Oct 92 p 6

[Text] During a radio program interview yesterday, Economy Minister Carlos Bolona Behr announced that the economy will grow by 3 percent in 1993 as long as the El Nino current does not affect Peru again, electricity rationing can be reduced considerably, and prices and the exchange rate become more realistic.

"All this will help," said the man responsible for the economy.

Bolona, whom many accuse of copying the policy implemented by Hernan Buchi in Chile during Pinochet's regime, said that all these factors prevented the much-desired economic growth during 1992.

Instead of growing, as was announced at the end of 1991, the Peruvian economy shrank this year and the recession is increasing like a cancer.

The year will end with a 50 to 55 percent inflation rate, and Bolona hopes the rate will drop to 30 percent in 1993.

At the middle of Alberto Fujimori's presidential mandate, the economy minister guarantees that next year will be better.

"The tax burden will end this year at 9 percent [of the gross domestic product], and we expect it to reach 9.5 or 10 percent" next year.

"These are the parameters we are estimating in order to obtain a strong budget," he added.

The economy minister again promised that "great social spending will take place" in 1993, the opposite of what happened in 1991 and 1992.

He said that the fact of having "a single cash box" will prevent the overadjustment of some accounts and "no accounts will remain in the black."

He referred to the period before the coup when, for example, Fonavi [National Housing Fund] funds were transferred to mutual funds and the Housing Bank.

"These funds now are used directly in the construction of basic infrastructure," he said.

Another favorable point is that "no money will be transferred to alleged autonomous institutes and public companies," the minister stated.

"Each company at the end of the year shows a balance in black while the revenue office does not have enough funds with which to meet social demands," Bolona stated.

According to the economy minister, one of the bad things in the past was that the governments were not used to creating projects.

"We now are creating social projects as a way to counter terrorism," he said.

"Just like there is a military struggle, there also must be an economic struggle," he added.

When journalists from the "Broader News" ["Ampliacion de Noticias"] radio program asked him to make a self-criticism, the minister made an effort to think of some weak points.

"Having taken so long to prepare a tax reform," he said.

Regarding the reinsertion of Peru in the international financial community, he acknowledged some mistakes

that are connected more with the "combat" he maintained with "some members of the (now dissolved) Congress."

"We could have obtained several financial credits earlier, in November 1991. We passed a law that was annulled afterward by Congress, making us lose a lot of time," he said.

"The greatest problem is when one repents for not having done something more than for having done something that came out wrong," Bolona said as a self-criticism.

The journalists pointed out that the opposition is not the only one to harshly criticize the severe economic recession, but President Fujimori himself once was very harsh when referring to this subject.

Bolona again mentioned the El Nino current, the drop of 30 percent in fishing activity, the drop of 7 percent in farming, the drought in the south and floods in northern Peru, the electricity rationing we experienced at least nine months this year, terrorism, and the 5 April coup.

"Obviously a stabilization program means restricting the economic activity to reduce inflation. This is part of the plan, but it does not mean that it is the reason for the drop in production," Bolona argued.

He admitted that from 1993 to 1995 the economic program must be aimed at greater growth to combat extreme poverty.

"The exchange rate must increase and the interest rates must be lowered faster," he said.

Bolona said there is a trend in trade aimed at attaining uniform trade tariffs.

"All reductions of import tariffs contribute to reducing smuggling," he said.

"The selective consumers tax [ISC] on cigarettes and liquor in Peru only helps increase smuggling. We must evaluate how much it collects and see whether it is worth continuing with its existence," he said.

Bolona stated that the tax reform intends to leave only four taxes (income tax, IGV [general sales tax], ISC, and import rights), which must be applied without exceptions, reductions, or privileges.

The economy minister said there still exist perquisites and privileges, some of which are under tax stability agreements and which are very harmful to the country.

Fighting Continues in San Martin Department

PA0911201192 Lima Radio Programas del Peru Network in Spanish 1800 GMT 9 Nov 92

[Report by Ramon Amaringo]

[Text] In a few minutes, at the invitation of the Political and Military Command [not further identified], a group of journalists will head for Yanayaco, in San Martin Department near the Loreto Department border, where, according to information provided by the Political and Military Command headquarters, clashes have been going on since early 9 November between Peruvian Army troops and Tupac Amaru Revolutionary Movement [MRTA] rebels.

Colonel Roman, who is in charge of antisubversive operations in this region, has reported that the rebels are trying to escape through the Yurimaguas region. It was said during the news conference, in which Col. Roman participated, approximately 30 rebels are wounded. There is no mention of dead rebels. The operations continue and the media will witness how we are dismantling the MRTA in this San Martin region, the colonel said.

Col. Roman noted the operation's results have been possible due to the information obtained from repented rebels who surrendered in recent days and who were presented this morning during a news conference.

In the next few hours, we will know how many MRTA people have been captured. It is expected that rebels will be surrendering in the next few hours to Army forces that are patrolling the area, a swampy area with many trees and inaccessible by helicopter. This is the reason why there are plans to build a heliport so the media may have access to the area and to information.

Uruguay

Argentine Tax Will Not Be Levied on Exports

PY0711173092 Montevideo Radio El Espectador Network in Spanish 0830 GMT 7 Nov 92

[Excerpts] The recent economic measures implemented by the Argentine Government have caused concern and alarm among Mercosur [Common Market of the South] member countries. During a meeting in Brasilia, Argentine Economy Minister Cavallo told his Brazilian, Paraguayan, and Uruguayan counterparts that these measures will be temporary and that they will not negatively affect Mercosur member countries. [passage omitted]

After meeting with his Argentine counterpart, Economy and Finance Minister Ignacio de Posadas announced that Uruguayan exports governed by the Argentine-Uruguayan Agreement on Economic Cooperation, CAUCE, will be exempt from the so-called statistics tax, which Argentina has increased from 3 to 10 percent. The CAUCE, which was signed in 1985, currently channels 70 percent of Uruguayan exports to Argentina. [passage omitted]

Officers 'Reprimanded' By Lacalle Over Request

PY0511174192 Montevideo Radio El Espectador Network in Spanish 0830 GMT 5 Nov 92

[Text] President Luis Alberto Lacalle yesterday rejected a petition by 100 representatives from the main military clubs who sought to convince the president to introduce changes in the bill to reform the Armed Forces pension system which is currently being discussed by Congress. The weekly BUSQUEDA has learned from some of the participants that Lacalle reprimanded them for discussing this bill during a recent meeting at the military center.

The meeting with Lacalle, which lasted approximately three quarters of an hour, opened with the retired officers' request for a detailed study of the articles pertaining to changes in the Armed Forces Organizational Law, the prompt payment of pensions pursuant to the provisions of Article 67 of the Constitution, and that the reduction of the hike for military personnel on active duty not be considered an indirect increase for military pensioners as proposed in the bill.

The BUSQUEDA article says that Lacalle's adamant refusal of the officers' petition follows an in-depth study of the bill and subsequent advice by his aides on the best course of action. Lacalle told the retired officers to channel their grievances through members of Congress and reproached them for bringing up the bill at the meeting at the Military Center on 18-19 October since it was his opinion that this has impaired the political situation.

Lacalle's refusal brought no response from Colonel Hector Busser, retired, the acting chairman of the Military Center or from any of his colleagues. One of the participants said: Respect for dignitaries has been instilled into us as members of the Armed Forces and we do not question other people's views.

The report on this meeting will be discussed at another meeting scheduled for between 20 and 25 November.

Lacalle later met with Lieutenant General Juan Maria Rebollo, the Army commander in chief; and Brigadier General Carlos Pache, the Air Force commander in chief, who have just returned from Cambodia. Rebollo and Pache headed the Uruguayan military mission that visited this strife-torn region.

Navy Chief Declared Persona Non Grata

PY0711165492 Montevideo Radio El Espectador Network in Spanish 0830 GMT 7 Nov 92

[Text] The General Artigas Military Club has decided to declare Vice Admiral James Coates, the Navy commander in chief, persona non grata because of his statement published in the weekly BUSQUEDA. The Military Club believes that Coates' statement besmirches the honor and dignity of the Armed Forces, for he mistakenly labels as mercenaries the members of the Armed Forces, both active service and retired, who are legitimately demanding a salary increase.

The Military Club believes that notwithstanding his brilliant career, Coates is in no way qualified to publicly present a set of moral principles for the military. The Military Club added: With regard to our duty towards our homeland, we know it as well as—or even better than—the Navy commander.

Venezuela

Cooperation Agreements Signed With Cuba

PA0711164892 Havana Radio Havana Cuba in Spanish 0000 GMT 7 Nov 92

[Text] The Cuban and Venezuelan Government signed several technical, cultural, and consular cooperation agreements on 6 November in Caracas, to strengthen the ties of friendship between the two countries. The agreements will be effective for five years and were signed by Venezuelan Foreign Minister Fernando Ochoa Antich and Cuban Foreign Minister Ricardo Alarcon—who is on the third day of his official visit to Venezuela.

The two sides decided to abolish the visa requirements for diplomatic officials from the two countries. The agreements also propose the joint implementation of research, development, and training programs for professionals; the exchange of scientific information and technology; and the strengthening of cultural ties.

During his speech at the ceremony where the agreements were signed, Cuban Foreign Minister Ricardo Alarcon emphasized the deep and historical ties of friendship which unite the homelands of Bolivar and Marti. Alarcon will conclude his visit to Venezuela on 7 November.

Minister Urges Pluriparty Democracy in Cuba

PA1011043292 Caracas Venezolana de Television Network in Spanish 2350 GMT 9 Nov 92

[Text] Foreign Minister Fernando Ochoa Antich ratified on 9 November that Venezuela will continue struggling to urge Cuba to take the necessary steps for the establishment of a democratic pluralist regime. In addition, Foreign Minister Ochoa Antich emphasized Venezuela has always thought the best way to attain this goal is for Cuba to adapt itself to the Inter-American organizations.

Therefore, he said both he and the president of Venezuela have voiced their opposition to the Torricelli Bill recently approved by the United States, not only because it is too much [un exceso] but also because it meddles into the sovereignty of countries, creating pressure on Cuba that aggravates the problem and generates a great sacrifice for the Cuban people.

[Begin Ochoa Antich recording] An electoral process is under way in Cuba at this time. This is not enough for the Venezuelan concept, however, because we are hoping

for a pluriparty democracy. In Cuba, they are talking about a democratic process while maintaining the existence of a single party. For us, a pluriparty system is essential. [end recording]

Interior Minister Comments on Extraditions

PA0411152092 Caracas Venezolana de Television Network in Spanish 2350 GMT 3 Nov 92

[Text] Luis Pinerua Ordaz, minister of the Interior, stated the executive is doing everything possible to accomplish the extraditions the Supreme Court of Justice requested from the government last week. Pinerua said all the pertinent negotiations were conducted as soon as the Court requested the extraditions of Jose Angel Ciliberto, Jose Mogna Salazar, and Blanca Ibanez. He added it is necessary to make the provisional arrests the U.S.-Venezuelan extradition treaty stipulates, and the Court's request must be filed formally. The situation in the case of Mrs. Ibanez is different, however, he said.

[Begin Pinerua recording] As for Mrs. Ibanez, because no bilateral extradition treaty has been signed, we will base our actions on a convention signed by Venezuela and Costa Rica, which permits extradition. Provisional arrest cannot be conducted, however, precisely because of the absence of a bilateral treaty. [end recording]